



Approved For Release 2005/01/11 : CIA-RDP88-01315R000200630001-6

A program to improve understanding of international issues through direct communication between Government officials and private citizens sponsored jointly by the American Foreign Service Association and the Carnegie Endowment for International Peace

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T. McAdams Deford  
Director

75-4334

ORG 1  
Face-to-Face

CIA IDIGlby, Wilham

January 24, 1975

(ORG under ORG 1)

Dear Study Group Member:

Over the past several years, David Biltchik, as the director of the Face-to-Face program, sponsored periodic evening discussions of general foreign policy topics at which various guest speakers -- from Stanley Hoffmann to Dean Rusk -- would present their ideas at a dinner discussion session. You were on the list of those asked. I replaced David Biltchik as the director of Face-to-Face several months ago and while I have been exploring other ways for Face-to-Face to meet its goals, I intend to continue this series of evening discussions with the same guest list if they remain interested. I hope you'll let me know if you want to continue being included in our activities.

Our first evening session will be Thursday, February 20. We plan to hold it at the Foreign Service Club, across from the Department of State, at the corner of 21st & E Streets. Marcus Raskin, co-founder and co-director of Washington's Institute for Policy Studies, will be the speaker. His talk will focus on the issue of accountability in foreign policy: What are the responsibilities of the bureaucracy in implementing a given policy? What role should Congress play in watching over the bureaucracy's activities and where does the citizenry fit in? Mr. Raskin has just had published a short book, Notes on the Old System: To Transform American Politics, which touches on these issues, and can provide something of a background to his ideas. If you can make the evening session and would like to familiarize yourself with some of Mr. Raskin's views beforehand, we'd be delighted to provide you with a copy of this book.

Senator Abourezk has agreed to act as moderator for the discussion during the evening, which I know will make the session even more provocative. As in the past, guests are asked for a drink at 6:30; Mr. Raskin will begin his remarks at 7:00 and dinner will be served at 8:30. Further discussion will continue over coffee. The whole evening should be over by 10:00.

Please r.s.v.p. to my office.

Sincerely,

T. McAdams Deford

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DCI/DDCI

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TO:

		ACTION	INFO.			ACTION	INFO.
1	DCI			11	LC	✓	
2	DDCI	✓		12	IG	✓	
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4	DDS&T	✓		14	Asst/DCI	✓	
5	DDI	✓		15	AO/DCI		
6	DDM	✓		16	Ex/Sec		
7	DDO	✓		17			
8	D/DCI/IC	✓		18			
9	D/DCI/NIO	✓		19			
10	GC	✓		20			

SUSPENSE

Date

Remarks:

Maybe I should  
go - What think?  
Came into topic  
28 Jan  
Jesse left at 10:00  
1/25/75

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Anonymity proposed to protect FDU people

# *Ruling on CIA secrecy sought*

By Larry Gordon  
Staff Writer

NEWARK — Lawyers for a Fairleigh Dickinson University student editor yesterday suggested that the Central Intelligence Agency give a federal judge files on its activities at the school without mentioning names of professors or students involved.

But the judge, Frederick Lacey of United States District Court, said that even such anonymity could be broken and could lead to harassment.

"The lessons we learn as men are not forgotten as judges," Lacey said. "The moment any documents would be disclosed, the pressure on the administration of Fairleigh Dickinson University would be enormous. How long would it be before names would be disclosed?" However, Lacey reserved decision.

Marc Medoff, investigative editor of the Teaneck campus student newspaper The Gauntlet, has asked for the files under the Freedom of Information Act. Medoff says the CIA has been approaching teachers for information on Iranian students.

The CIA has consistently refused to even acknowledge or deny whether such records exist, claiming that to do so would jeopardize its foreign intelligence sources and possibly endanger members of the academic community.

Files considered vital to national security are exempt from disclosure under the Freedom of Information Act. Medoff's lawyer, Howard Rosen of the American Civil Liberties Union, yesterday again asked Judge Lacey to review any files dealing with FDU to see whether they deserve such an exemption. But Rosen added a new note to the argument by raising the possibility of anonymity.

## Threat to CIA

"I'm just asking to find out what documents there are," Rosen said. "They could say there are, for example, 14 documents dealing with contacts for a study by a member of the faculty. We are not asking for ultimate relief right now. We are just asking for an index. They could delete the names."

Lacey, however, countered with: "Aren't you going to give any concern at all to the potential threat to the ability of the CIA to do its job?"

After Lacey reserved decision, Medoff, a senior, said he was disappointed at the judge's statements and postponement. "But I'm fully confident our position will be supported, even if we have to take it all the way up," Medoff said.

A Justice Department attorney, Daniel Metcalf, said 114 requests similar to Medoff's have been made from 86 college campuses across the nation. Three of those requests have gone to court.

"This one may be the first to reach decision," Metcalf said.

On June 26, Lacey criticized the CIA's legal brief for dealing in vague abstractions. Last week, the CIA submitted a new brief which drew a distinction between overt and covert activities.

The overt activities, the CIA said, could be disclosed, and the agency has produced two letters from FDU asking it to recruit graduates. But if anything else exists, the agency said, it would be covert and protected from disclosure.

HACKENSACK RECORD (N. J.)  
27 June 1978

ORD / FAIRLEIGH  
DICKINSON, UNIV  
CIA 2-05.1 FOIA  
CIA 1-03 BLAKE, JOHN

# Judge orders CIA to turn over data on FDU

By Larry Gordon  
Staff Writer

A federal judge in Newark yesterday ordered the Central Intelligence Agency to explain precisely why it has refused to say whether it has files on its possible activities at Fairleigh Dickinson University.

Mark Medoff, editor of the Teaneck campus student newspaper, The Gauntlet, has asked for the files under the Freedom of Information Act. Medoff claims that the CIA has been approaching teachers for information on Iranian students.

In an affidavit yesterday, the CIA said that denying or acknowledging the existence of any records could jeopardize its foreign intelligence sources and lead to harassment of the academic community at FDU and elsewhere.

"By denying their existence, a process of elimination could lead to the identification of sources at other universities," said the affidavit of John Blake, the CIA's director of information.

But United States District Court Judge Frederick Lacey refused to accept the CIA's response, calling it

*"Our contention is that the government's position would deny to your honor the responsibility of reviewing the record."*

— Howard Rosen, American Civil Liberties Union attorney

"artfully drawn to say a lot but tell nothing. It deals with vague abstractions."

"I want a precise position," Lacey told CIA attorneys from the United States Justice Department before post-

poning the case until July 10. The attorneys promised to submit additional briefs by July 5.

## National security

Howard Rosen, an attorney for the New Jersey Civil Liberties Union, which is representing Medoff, asked the judge to review any CIA files dealing with the school and to decide whether releasing them would endanger national security. Files considered vital to security are exempted from disclosure through the Freedom of Information Act.

Rosen told the judge, "Our contention is that the government's position would deny to your honor the responsibility of reviewing the record. The government is saying to you [that] it need not tell you anything but the bare conclusions."

Justice Department lawyer Daniel Metcalf said no nonvital files dealing with FDU had been found, but that a double-check would be undertaken. Metcalf said he was not implying that any security-risk documents existed.

Rosen, however, contended that at least some correspondence between the CIA and the university dealing with recruitment must exist. He said there is reason to believe that CIA research contracts may have been let to FDU professors.

"If a professor prepared a report on, let's say, the shoe industry in the Soviet Union," Rosen argued, "that could be embarrassing [to the professor], but it should not be classified."

## Domestic surveillance?

Rosen also contended that the CIA's refusal may have been prompted by fear of exposing that it had illegally engaged in domestic surveillance.

Metcalf said the CIA has openly recruited graduates from FDU and hundreds of other schools, but no records of such recruitment at FDU have been found.

Medoff first wrote to the CIA in February 1977 for files relating to FDU. The CIA told him that it found some material which originated with the National Security Agency. That agency refused

*"By denying [the record's] existence, a process of elimination could lead to the identification of sources at other universities."*

— John Blake,  
CIA official

to give Medoff information. The CIA refused even to acknowledge if it had any records on FDU.

In the affidavit reviewed by Judge Lacey yesterday, CIA officer Blake said: "Our contracts with academic institutions are, of course, made known to senior university officials."

FDU President Jerome Pollack has said he was not aware of any CIA activity at the school.

Sources called invaluable

Blake called academic sources invaluable for the national interest and said identification of them could be dangerous. "Such sources place in jeopardy, in many instances, their reputations, credit, livelihoods and, in some cases, their personal safety," he said.

"The CIA can respond only by refusing to confirm or deny existence of any information which would even imply the existence of such relationships."

Metcalf said four similar cases asking for disclosure of CIA involvement at universities are in other courts.

OKg / Academics

OR 41 Fairleigh Dickinson  
UN.

ARTICLE APPEARED  
ON PAGE 1-4

BERGEN RECORD  
HACKENSACK, N. J.  
11 April 1978

*Spies were on campus, student charges*

# CIA being sued for files on FDU

By Lucy Komisar

Staff Writer

NEWARK. — The New Jersey Civil Liberties Union (NJCLU) said it would go into federal court here today to obtain files of possible Central Intelligence Agency activities at Fairleigh Dickinson University. It says it suspects that since the early 1960s the CIA may have spied on FDU students by tapping their phones or through campus informants.

The suit is being brought on behalf of Marc Medoff, an editor of the school's Teaneck campus newspaper, "The Gauntlet." Medoff first wrote to the CIA in February 1977 for files relating to FDU. He is seeking to learn if there were agreements with university staff members or students to spy on or recruit foreign nationals at FDU, collect or disseminate information, or perform other services for the intelligence agency.

"I believe it is the first suit in the country to compel disclosure on domestic surveillance on a college campus," said NJCLU Executive Director Stephen Nagler.

Medoff received no information from the CIA. The agency told him: "Our searches surfaced some material which originated with the National Security Agency, and it has been referred to them for their review and direct response to you." The NSA refused to give Medoff information.

The suspicions of Medoff and the NJCLU are based on the fact that NSA is involved. Congressional investigations have revealed that in the 1960s and 1970s, the NSA conducted surveillance of individuals and passed the information it gained on to other agencies.

The CIA would not supply any other information from its own files or even say whether additional records existed. It said such action would compromise intelligence sources and methods and be an invasion of the privacy of any individuals involved.

A special committee of the Fairleigh Dickinson University Senate, formed at the request of President Jerome Pollack, was scheduled to meet this afternoon on the Rutherford campus to study the possibility of instituting guidelines for government intelligence activities at FDU.

Medoff, a 22-year-old senior from Hartsdale, N.Y., and a member of the Senate committee, said, "We will study the policies other schools have put into effect. The Harvard guidelines now being studied as a model by many schools say any research done for the CIA or an outside agency has to be public." The committee includes administrative, faculty, and student representatives.

The CIA has suggested that its contacts with universities have been aimed at obtaining scientific or social science research to give policymakers information and analysis of foreign developments.

Andrew Falkiewicz, then assistant to the director of the CIA, wrote to Medoff in February 1977:

"Occasionally such relationships are confidential at our request, but more often they are discreet at the scholar's request because of his concern that he will be badgered by those who feel he should not be free to make this particular choice."

Medoff quoted what he said was a 1975 CIA internal memo: "... in every instance where there was a contractual relationship, an appropriate senior official of the academic institution concerned was aware of the relationship."

A 1975 CIA internal memo said, "... in every instance where there was a contractual relationship, an appropriate senior official of the academic institution concerned was aware of the relationship."

Pollack said yesterday, "I have not been aware of any CIA activity. If there had been anything going on in FDU, I'd be very interested in knowing about it."

Critics have suggested that the CIA has been seeking research help at universities.

Medoff said that as a result of inquiries made on campus, he was told that the CIA in the 1960s had asked Dr. Nasrollah Fatemi, then chairman of the Social Science Department and now director of the Graduate Institute of International Studies, to give it information and files on foreign students at FDU.

## Interested in Iranians

Medoff said Fatemi told him the CIA "was particularly interested in students from Iran." FDU has about a hundred Iranians on campus, more than any other college in the state. Medoff said Fatemi told him that he had refused to cooperate.

According to Medoff, the CIA also contacted Dr. James Fatemi, a professor of political science and Nasrollah Fatemi's son, with the request he gather information for them on a trip he was to make to the Middle East. He, too, declined, Medoff said.

In 1975, William E. Colby, who was then CIA Director, told the House Select Committee on Intelligence that the National Security Agency listened in on telephone calls of selected individuals to or from other countries. Names were supplied by the CIA and other intelligence agencies. It was also reported that the NSA had equipment that monitored overseas cables and written domestic communications.

CONTINUED

According to congressional testimony between 1969 and 1972, the NSA monitored over a thousand overseas phone calls and cable messages involving anti-war activists and other critics of the government. The information was turned over to several agencies, including the CIA, which used the information for its Operation CHAOS, a program aimed at domestic dissidents.

Says Nagler, "Although both the President and leading officials in the intelligence community have suggested that curbs on domestic surveillance are appropriate, the checks which could stop such practices have never been instituted.

"If they want to engage in domestic surveillance, and they can convince the President or hide it from him, they can still do so with impunity. The suit is to point up the need to use the judiciary as a check and for broader use of the Freedom of Information Act with limitation of its exemptions.

The case is being handled by volunteer attorney Howard Rosen of Newark.

Ellsberg, Daniel  
Federal Employees  
for Peace

# THE ADVOCATE

4th Year, No. 5      An Independent Paper Published By and For HEW Workers      September 1971

## THE ADVOCATE

### THE PEACE MOVEMENT

FEDERAL EMPLOYEES FOR PEACE are having a testimonial dinner for Daniel Ellsberg to name him "Federal Employee of the Year" for his disclosure of the Pentagon Papers. Mr. Ellsberg revealed how past administrations have been lying to the American people about Vietnam. The dinner will be held on September 23 at La Gemma, 1320 G St., N.W. Speakers will include federal employees; Nicholas Johnson, Federal Communications Commissioner; Donald Riegle, Representative from Michigan; and Mr. Ellsberg. Tickets may be obtained from HEW ACTION PROJECT members. They will be sold at an average price of \$5.00--somewhat less for lower-income employees, somewhat higher for upper-income workers. The price of the tickets will defray the cost of the dinner and Mr. Ellsberg's travelling expenses.

Let's show Mr. Ellsberg that we stand behind him in his trial.

THE PEOPLE'S COALITION FOR PEACE AND JUSTICE and THE NATIONAL PEACE ACTION COALITION have scheduled the following actions for this fall:

- \* October 13: Nationwide moratorium on business as usual, including strikes.
- \* November 6: Massive demonstrations in major cities.
- \* Demonstrations and direct action to defeat Nixon's so-called Family Assistance Plan in Washington when Congress reconvenes in the fall.

Call 656-6689 for information on peace activities of interest to HEW employees.

--- CCG

*I rate myself as a deeply committed  
pacifist.*

--- RMN

ARTICLE APPEARED  
ON PAGE 19-23THE NEW REPUBLIC  
22 December 1979P - Lubin, Peter  
CIA 4 Saudi Arabia  
ORGI FAISAL FOUNDATION  
Long under Lubin

What do we really know about Saudi Arabia?

# The Second Pillar of Ignorance

by Peter Lubin

When President Carter raised high his glass in Tehran on New Year's Day 1978 to toast the shah and the Peacock Throne as an "island of stability" in a turbulent region he was not being unusually naive. He was simply expressing what most Americans, fed a steady diet of misinformation, believed at the time.

We know now, as we did not know then, that the real Iran is not the Iran of the shah, and the shahbanou, and all their glittering retinue. The real Iran is much more truly represented by the enraged imam in Qom and the mobs in Tehran. But the repeated mistakes and miscalculations of our government force us to ask what we really know about the stability of other regimes in the Middle East, especially the most important one, Saudi Arabia. After Iran, how can we make certain, or at least more likely, that there will be no similar surprises in the future?

A leading specialist on Anglo-American policy toward the states of the Persian Gulf is John Barrett Kelly. In a recent article, "Of Valuable Oil and Worthless Policies" (*Encounter*, June 1979) Kelly observed that Western policy in the Gulf region "was initially fashioned from illusion and has been sustained ever since by deceit." After the British withdrew from east of Suez, the United States did not fill the vacuum of power created by their withdrawal. Instead, American policymakers jerrybuilt a "twin-pillar" policy which consisted of building up Saudi Arabia and Iran as "guardians of the Gulf." "[T]he State Department conducted a tireless campaign to depict Saudi Arabia and Iran as dependable allies of the United States: dynamic, stable, forward-looking, economically progressive, and militarily strong, or at least potentially so," Kelly wrote.

That policy is now a shambles. One "pillar" is gone, the other is shaky. There is no margin for error left. The economies of the West would collapse if the oil from Saudi Arabia and the Gulf states were to fall into the hands of the Soviet Union, or of Soviet-backed surrogates, or simply of local fanatics who might cut or shut production. If we are to construct sensible policies we need, before all else, reliable information about Saudi Arabia and the Gulf states. But we are prevented from obtaining such information for a variety of

reasons: the ignorance and gullibility of the press; the unreliability of the "experts" we consult; the efficiency of an army of publicists working on behalf of the Saudis; and finally, the difficulties faced within Saudi Arabia by those Americans whose job it is to gather intelligence. If Saudi Arabia were only as important to us as, say, Albania, our lack of information would not be so worrisome. Or if it were an open society, like England or Canada, we would be less concerned. But it is not so unimportant, and it is a closed society, one that attempts mightily to present its own version of events to the outside world.

A good example of American ignorance about Saudi Arabia was the recent drama in Mecca. The daily reports were constantly changing and contradictory. The self-proclaimed Mahdi was an "American-trained" student, we were confidently told on the MacNeil-Lehrer program by someone who claimed to have been told it by a close friend in the Saudi royal family. Other reports said he was a law student, or a theology

student, but with no American training. His name was variously given as Mohammed Ben Abdullah, Mohammed Abdullah al-Quraisha, and Mohammed Abdullah al-Kahtani.

Some reports first described the armed attackers as Shi'ite Iranians. Others said they were Shi'ites from eastern Saudi Arabia. (One US government official blithely declared early on that "there are no Shi'ites in Saudi Arabia." On December 6 the *New York Times* reported that there are 300,000 Saudi Shi'ites.) Still other reports said the attackers were Sunni Moslems from western Saudi Arabia, members of the Qoraish tribe. Later we heard that they were members of the Oteiba tribe. Still later we heard that they were a mix of Saudis, Egyptians, and Pakistanis, and most recently, that they were members of a Salafiya movement. We learned that the group was a ragtag band of a few dozen fanatics, then that it was a larger group of tribal rivals of the House of Saud, then that it was a well-armed, well-trained group of several hundred men, and most recently—through non-Saudi sources in Paris—that a thousand men may have been involved in the takeover.



Org 1 FARGO Co.

(org under Mead)

P-Mead, Dale F.

P-Castillo, Cathy

CIA 4.01 MK ULTRA

CIA 1.04 White, George

Org 1 STANFORD University

Jones, Leo

SEP 7 1977

# Diary reveals intriguing picture of a storybook spy

By DALE F. MEAD  
and  
CATHY CASTILLO  
Staff Writers

George Hunter White slipped quietly from his job as a San Francisco newspaperman into the shadowy post-World War II world of spies, narcotics and Tong wars.

He took an alias, Morgan Hall, and flitted about the globe during his years as a CIA agent and narcotics officer, running brothels in San Francisco, interrogating captured enemy submarine captains and experimenting with mind altering drugs.

A glimpse into his personal diaries shows he lived like a storybook spy, dashing from Los Angeles to Cairo, stopping at the Pentagon and visiting prison camps in World War II to interrogate prisoners.

He enjoyed publicity but knew how to keep his mouth shut. A congressional committee was told he ran brothels in San Francisco and New York for the CIA under the code name Morgan Hall.

Now a congressional panel is investigating his actions and those of other CIA agents believed to have conducted experiments with mind-altering drugs and techniques in the 1950s and 1960s.

**'He was the closest thing to James Bond we had.'**

George Hunter White died two years ago in Stinson Beach where he and his wife had lived.

"He was the closest thing to James

Bond we had," says a colleague who knew him well.

Two weeks ago the CIA touched off widespread press interest when it notified Stanford University that it might have been linked to CIA-related tests into mind-altering drugs.

While Stanford officials were beset with queries, White's own papers, including diaries that covered everyday activities, were ignored in a vault in the Electronics Museum at Foothill College here, just a few miles away.

The documents include a large scrapbook of press stories detailing White's career as a Federal Narcotics Bureau drug-ring buster, numerous letters and diaries detailing a quarter-century of clandestine activities.

Leo Jones, president of Fargo Co., a San Francisco manufacturer of electronic-surveillance equipment, knew White well.

Jones' firm built the kind of bugging devices used at the Chestnut street apartment in San Francisco where the CIA paid addict-prostitutes \$100 a day to lure customers and then lace their drinks with experimental drugs.

Jones also tipped the press on the collection of White's papers. They had been forwarded to Foothill College to augment a planned display of electronic-surveillance equipment at the museum.

"It's the entire story of his life," Jones said Tuesday of the four boxes of memorabilia. "He went all over the world. He really was James Bond."

Besides White's papers, the collection includes devices used by German agents during World War II and intelligence reports of the disastrous

Battle of Arnheim, on which the movie "A Bridge Too Far" is based.

The diaries refer to White's transoceanic travels during the war and to "TD" experiments, apparently an attempt to develop a "t-drug," truth serum for intelligence use.

In 1943 White tried tetrahydrocannabinol acetate, a derivative of marijuana, in a cigarette.

His diary entry for May 24 of that year reads in part:

"Conduct experiments on T-drugs. Volunteer as subject. Knock myself out with 1 g (gram) cig."

The entries suggest physicians may have been with White during the first and several later experiments. References to "TD" experiments continue at least until Nov. 24, 1943.

Among them are two entries, "Prepare T cigs" on July 7 and July 9 while White was at a camp in Virginia. On July 7 he mentioned interrogating a U-boat

continued

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*Paul B. Fay Improvement Co.*  
*CIA's Turner, Adm.*

PAUL B. FAY, JR.  
PRESIDENT

7 April, 1978

Admiral Stansfield Turner  
Director  
Central Intelligence Agency  
Washington, D. C. 20505

Dear Stan:

Just a note to tell you how very much I appreciated your adding so much to our meeting on Wednesday evening at the "F" Street Club. After you left and the next day I received nothing but comments of commendation on you as an individual and on what you had to say.

Again, many thanks, and I will be calling you for tennis in June.

Best regards,

*Paul*

Paul B. Fay, Jr.

PBF:csH

*APR 10 1978*

EB EB

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Orgt Fay Improvement Co.

For additional information on the above, see:

FILES

DATES

CIA 1.01 TURNER, Admiral

7 April 78

P. Wallace Bill

~~Bill~~

Original Fidelity Reporting Services

Anderson Security Consultants

(original Wallace)

BLACKLISTING LIVES ON

# THE INTELLIGENCE LAUNDRY

BILL WALLACE

Thirty years ago, Western Research Foundation, a little-known group of California private detectives, made a reputation for itself among the followers of Sen. Joseph McCarthy by digging up dirt on suspected Communists and feeding it to the House Un-American Activities Committee. Some of the alleged subversives fingered by the firm's operatives wound up defying HUAC on the ground that its investigation violated their constitutional guarantee of free speech. For their truculence, some found themselves inside federal penitentiaries for contempt of Congress.

Today, a linear descendant of Red-hunting Western Research finds itself looking at a Congressional contempt citation from the other side of the committee table. Research West, an investigative firm which grew directly out of the dossiers collected by Western Research Foundation, has twice defied subpoenas for its files issued by Rep. John Moss (D., Calif.) and his House Subcommittee on Oversight and Investigations. The company's officials cite the First Amendment freedom of the press as the reason for their refusal to comply with Moss's subpoena and have vowed to go to jail rather than reveal the information contained in their investigative files.

The clash between Research West and Congress stems from Moss's investigation into allegations that some electric power corporations have been buying information on foes of atomic energy. Both Georgia Power and the West Coast Pacific Gas & Electric Company (PG&E) have paid Research West many thousands of dollars over the last five years for services which executives of the firms describe as "security investigations." Nuclear power opponents—including Ralph Nader's Critical Mass project and the Abalone Alliance, a consortium of two dozen West Coast anti-nuclear groups—say those investigations have actually been secret intelligence operations against opponents of nuclear power.

They point to the fact that Georgia Power Company's

Bill Wallace is a staff writer for The Berkeley Barb and an associate of the Center for Investigative Reporting in Oakland, Calif.

files—a substantial number of which allegedly originated with information from Research West—contain dossiers on dozens of groups and individuals, including Ralph Nader himself, the Georgia Civil Liberties Union and NBC newsman Jackson Baine. Moreover, they note that the state Public Service Commission which regulates Georgia Power is currently conducting an investigation to see whether illegal surveillance techniques or unlawful harassment were used in the collection of the utility's dossiers.

Utility company officials have derided the anti-nuclear group's concern. PG&E, the power combine which has spent the most for Research West's services and which referred the firm to Georgia Power in the first place, claims that Research West was never asked to provide information on any foes of atomic power.

"What we have used Research West for in the past was to provide background investigations of PG&E employees required as a result of the sensitive positions they work in," says Larry McDonald, PG&E's chief public relations man. "Under federal law, for example, we have to run security checks on personnel who work in our nuclear plants, and it's likely that Research West has done some of those checks for us—using information derived strictly from the public record, of course."

Those on the other side of the dispute have also charged that Research West may have been used covertly to sabotage a 1976 ballot measure aimed at stopping the construction of nuclear power plants in California. PG&E paid Research West nearly \$50,000 in 1975 and 1976 alone, during the critical period when California anti-nuclear activists were struggling to put the measure on the state's ballot and to raise enough money to campaign for it effectively against the combined political muscle of the state's multibillion-dollar nuclear power industry. According to Richard Pollock, director of Critical Mass, "We believe this is not a coincidence. It's the logical outcome of PG&E attempting to foil opponents of its existing nuclear power program." PG&E denies the charge.

It isn't immediately clear which—if either—of these

CONTINUED

# C.I.A. Investigated Personal Life of Adviser During 1968 G.O.P. President

By JOHN M. CREWDSON

Special to The New York Times

WASHINGTON, March 31—A Central Intelligence Agency operative, posing as a private detective, investigated the personal life of a top aide to Richard M. Nixon during his 1968 campaign for the Republican Presidential nomination, according to well-placed Federal officials.

The operative, Franklin R. Geraty, reportedly conducted the investigation under the auspices of a nonexistent New York City private detective firm that the officials said had been set up as a "front" for C.I.A. domestic operations.

The alleged target of the undercover inquiry was Richard V. Allen, a foreign affairs expert who shortly before had resigned from Stanford University's conservative Hoover Institution, a research center, to join Mr. Nixon as his national security adviser.

A high official of the C.I.A. confirmed that his agency had ordered a clandestine investigation of Mr. Allen, but he said it was entirely unrelated to his work in behalf of Mr. Nixon.

The C.I.A.'s domestic operations, about which relatively little is known, are under investigation by a Presidential commission and a Select Senate committee.

William E. Colby, the Director of Central Intelligence, has testified publicly about his agency's attempts, during the late nineteen-sixties and early seventies, to uncover foreign ties to the American antiwar movement.

But this is the first known instance of a domestic C.I.A. operative posing as a private detective in conducting an inquiry not directly related to the national security.

## Personal Data Sought

On June 25, 1968, barely two weeks after Mr. Allen said he joined the Nixon campaign staff, Mr. Geraty appeared at the office of a banker in Palo Alto, Calif., where Mr. Allen had been living, and displayed a credential identifying himself as a representative of the Fidelity Reporting Service of New York City.

The banker, who asked that his name not be used, recalled in an interview that Mr. Geraty said he was seeking whatever personal information he might have on Mr. Allen. When asked the reason for the inquiry, the banker said, Mr. Geraty replied that he had been retained by "the Republicans" to conduct background checks on some Nixon aides.

The banker, who was not unknown in high Republican circles, said that he became suspicious and sent Mr. Geraty away with the request to call back later. Then, he said, he telephoned Rose Mary Woods, Mr. Nixon's personal secretary, to verify the mysterious investigator's purpose.

According to the banker, Miss Woods checked and informed him that no such investigation of Mr. Allen or anyone else had been commissioned by the Nixon campaign.

## Caulfield Made Inquiries

Sources familiar with the 1968 Nixon campaign said that the matter was referred to John J. Caulfield, a former New York City policeman who was then chief of staff security for Mr. Nixon.

Mr. Caulfield, who later gained prominence in the Watergate scandal through his subsequent role as a White House investigator, made inquiries about the Fidelity Reporting Service and reported back that it appeared to be a "C.I.A. outfit," the sources said.

They added, however, that the assertion that the C.I.A. had investigated a top Nixon aide was not made public by the Nixon campaign for fear that an attack on the Johnson Administration would move President Johnson to more enthusiastic support of Senator Hubert H. Humphrey, the Democratic nominee.

The investigation of Mr. Allen was first mentioned publicly by William Safire, a former Nixon speechwriter who is now a columnist for The New York Times, in "Before the Fall," Mr. Safire's recently published history of the Nixon Presidency.

## Independent Investigation

An independent investigation by The Times established number of details about a reported incident, all of which were subsequently confirmed by high officials of the C.I.A.

One C.I.A. official conceded last week that it might appear on the surface, as though "we were watching the other side during the 1968 Presidential campaign."

He said, however, that months before Mr. Allen joined Mr. Nixon's staff, he had proached the C.I.A. for assistance on a research project.

Mr. Allen, who is 39 years old, was then a senior member of Stanford's Hoover Institution on War, Revolution and Peace and editor of a yearbook on international Communist affairs.

In that capacity, the C.I.A. official said, Mr. Allen met in January of 1968 with Richard Helms, then the Director of Central Intelligence, and as to see various unclassified agency reports on the strengths of national Communist parties. Mr. Helms agreed, the official said, to make the materials available, and Mr. Allen continued to deal with the agency on an informal basis during the spring of 1968.

## 'We Farmed the Job Out'

On March 27 of that year, the official continued, the C.I.A. decided independently that it wished to make available to Mr. Allen certain classified publications that bore on his work.

A background investigation to secure the necessary clearance was ordered, the official said, "and we farmed the job out to one of our investigators in the San Francisco area."

The C.I.A. official during an

P. Crewdson, John M.

CIA 104 Geraty

Franklin R. Allen, Richard V.

CIA 4.01 Domestic

Spying

ORG 1 Fidelity Reporting Service

CIA 1.01 Helms, Richard

(orig under Crewdson)

Following Mr. Nixon's victory in November of 1968, Mr. Allen, a husky, bespectacled six-footer, joined the staff of Henry A. Kissinger, who by then had replaced him as Mr. Nixon's national security adviser.

Mr. Allen later became deputy assistant to Mr. Nixon for international economic affairs. He now operates a private economic consulting firm here.

Reached by telephone in Florida, where he is vacationing, Mr. Allen differed with the C.I.A. official on some details

1 of 2

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orig 50 STATES

THE 5 QUESTIONS

1. Does obstruction of justice by USDJ legalize felonies by USSS employees?
2. If the answer to Question 1 is no, then are prosecuted and unprosecuted felons the same under criminal law?
3. According to civil law, are government employees entitled to wages and salaries for committing felonies or for co-operating with felons?
4. Does the legal machinery exist to seize the assets of past and present federal, state, and municipal employees who have committed felonies and/or who have co-operated with felons?
5. Is retirement pay essentially deferred wages and salaries, and, as such, cancellable in the cases of felons and accessories to felonies?

Please return your answers by 30 June 1975. You will receive a copy of the completed report. Mail to:

50 States  
Law Desk  
POB 2243 - Potomac Sta.  
Alexandria, Va. 22301 (USA)

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Approved For Release 2005/01/11 : CIA-RDP88-01315R000200630001-6

**Sanderson, Andersen, Henderson & Bly**  
Attorneys at Law, c/o 50 States  
P. O. Box 2243 - Potomac Station  
ALEXANDRIA, VA. 22301 (USA)



**PIONEER ★ JUPITER**



Central Intelligence Agency  
Office of the Assistant Director  
Washington, D. C. 20505

15-4

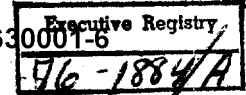
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CIA 1.01 Bush, George  
FARRIOR, J. Rex  
(orig under OEG)  
28 APR 1976

Mr. J. Rex Farrior, Jr.  
President, The Florida Bar  
2200 First Financial Tower  
P. O. Box 3324  
Tampa, FL 33601

Dear Mr. Farrior:

Despite the great honor it is to be asked, I fear I'm not going to be able to address the Florida Bar.

Now and well into the summer, I'm going to be heavily engaged in carrying out the President's Executive Order to reshape our nation's intelligence community. I hope you will understand how I must give almost my total time to this effort.

Perhaps another occasion will arise in which you will flatter me with an invitation.

Sincerely,

/s/ George Bush

George Bush  
Director

MAR 50 1 43 PM '76

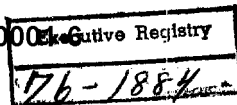
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# THE FLORIDA BAR

OFFICE OF THE PRESIDENT

J. REX FARRIOR, JR.  
PRESIDENT

April 9, 1976

2200 FIRST FINANCIAL TOWER  
POST OFFICE BOX 3324  
TAMPA, FLORIDA 33601

Mr. George Bush, Director  
Central Intelligence Agency  
Washington, D. C. 20505

Dear Mr. Bush:

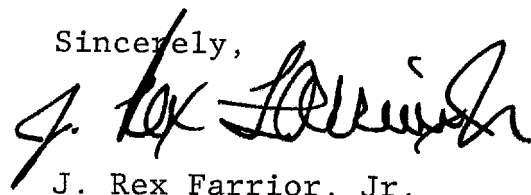
Each year one of the highlights of the annual meeting of The Florida Bar is the luncheon held in honor of the judiciary. We are always privileged to have in attendance jurists from every level of our state court system, together with members of the federal judiciary. Both attorneys and judges alike find it to be one of the most enjoyable affairs of the convention.

In accordance with our tradition of having a guest speaker who is known and respected by members of the bench and bar, The Florida Bar would be honored to have you speak at this year's luncheon, which will be held at 12:30 P. M., on Saturday, June 12, 1976, at Walt Disney World (near Orlando, Florida).

If your schedule permits, we would be happy to have you and your wife as guests of The Florida Bar on Friday and Saturday to allow you time to attend some of our other functions and visit the many attractions at Walt Disney World. The Florida Bar will of course provide round trip air transportation and hotel accommodations during your stay.

I sincerely hope that your schedule will permit you to be our guest at the 1976 Annual Meeting of The Florida Bar. Your early response would be appreciated to facilitate finalizing arrangements for your visit.

Sincerely,



J. Rex Farrior, Jr.

JRF:sc

86-22731

19 May 1976

ORIG: FLORIDA CONFERENCE  
ON THE MEDIA & THE LAW  
CIA/01 Bush, George

STAT

MEMORANDUM FOR: [REDACTED]

EA/DCI

FROM : Angus MacLean Thuermer  
Assistant to the Director

SUBJECT : Florida Conference on the Media and the Law  
June 18-20

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[REDACTED]

Here is a letter inviting the DCI to a Conference on the Media and the Law in Florida during the period June 18-20. The DCI is invited to be an observer.

Bill Colby attended such a conference at the Homestead a year or so ago. He was, of course, not only the DCI but also a lawyer and enjoyed -- so I recollect -- the exchanges with judges, journalists and other government officials. The DCI may want to give Bill Colby a ring on the matter to get his sense of the usefulness of the conference.

As was the practice before, this conference is based on discussions of case studies posing questions involving newspapers, TV and the law.

If the Director does not wish to attend, he might wish to suggest that the new General Counsel go in his stead. It would certainly give him a thorough soaking in one of the problems that faces us.

If you want me to handle any letters or phone calls on this matter, please let me know.

[REDACTED]  
Angus MacLean Thuermer

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UNCLASSIFIED	CONFIDENTIAL	SECRET
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**EXECUTIVE SECRETARIAT**

**Routing Slip**

TO:		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	D/DCI/IC				
4	S/MC				
5	DDS&T				
6	DDI				
7	DDA				
8	DDO				
9	D/DCI/NIO				
10	GC		✓		
11	LC				
12	IG				
13	Compt				
14	D/Pers				
15	D/S				
16	DTR				
17	Asst/DCI	✓			
18	AO/DCI				
19	C/IPS				
20	BA/DCI (JF)		✓		
21					
22					

SUSPENSE

Date

Remarks:

*No proper DCI response.*

STAT

**THE FLORIDA CONFERENCE ON THE MEDIA & THE LAW**

**No. 1 Herald Plaza · Miami, Florida 33101**

May 13, 1976

*Honorable*

Mr. George Bush  
Director CIA  
Washington, D.C. 20505

Dear Mr. Bush:

During the weekend of June 18-20, the Florida Conference on the Media and the Law, sponsored by the Ford Foundation, the Knight Foundation, and The Miami Herald, will be held at the Key Biscayne Hotel, Key Biscayne, Florida. We are pleased to invite you to be an observer in this conference.

This conference is an outgrowth of concern over the increasing number of confrontations between the law and the media. It is our hope that by establishing a meaningful dialogue among members of the judiciary, the bar, the government and the press, there will develop a better understanding of the problems involved.

Approximately 35 judges, lawyers, journalists and government officials are being invited to attend and will participate in three case studies posing complex media questions involving conflicts between the media and the law. In addition, another group is being invited to attend as observers.

The sponsors will defray the cost of your attendance at the conference (rooms, meals and transportation to and from Miami). Spouses are welcome to attend at your expense.

The conference will begin with registration at 4:00 P.M., Friday, June 18, and will close after lunch, Sunday, June 20. Information concerning the agenda, transportation arrangements and a list of participants and observers will be forwarded to you in a few weeks. Please complete and return the enclosed confirmation in the envelope provided as soon as possible. Should you have questions concerning the conference arrangements, please call the conference coordinator, Roland Dopson, at The Miami Herald, 305-350-2906.

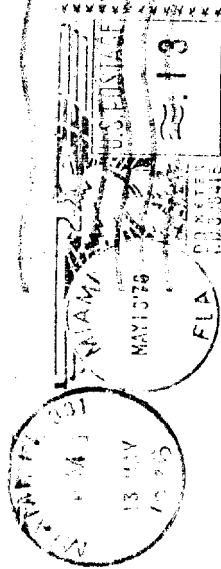
We hope you can attend.

Sincerely,

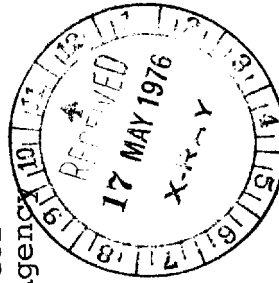
*Dan Paul*

Counsel for The Miami Herald

DPSP:11j



Mr. George Bush, Director  
Central Intelligence Agency  
Washington, D.C.



PAUL & THOMSON  
100 Southeast First National Bank Building  
MIAMI, FLORIDA 33131

THE FLORIDA CONFERENCE ON THE MEDIA & THE LAW  
June 18 - 20, 1976  
The Key Biscayne Hotel  
Miami, Florida

CONFEREE NAME (\*) \_\_\_\_\_

\_\_\_\_\_ My spouse will be accompanying me to the conference and I  
will require a room for double occupancy.

Spouse's Name \_\_\_\_\_

\_\_\_\_\_ I will be attending alone.

(\*) If name, title, affiliation or address incorrect on invitation letter, please  
note correction on this form.

E - 39,995  
S - 42,216

NOV 20 1977

# Sliger says new guidelines for CIA not necessary

By DEANNA THOMPSON  
Democrat staff writer

As far as Florida State University President Bernard Sliger knows, the Central Intelligence Agency has not infiltrated classrooms, dormitories or administrative offices on the FSU campus.

And if the intelligence agency has done so, Sliger isn't sure a set of guidelines requiring CIA spying on campus to be made public would bring agents out of their closets to confess.

It was with those ideas in mind that Sliger told a faculty committee chairman last week that he doesn't think the university needs a new set of guidelines to require public disclosure of intelligence or research work for the CIA.

The Faculty Professional Relations Committee had been waiting since August to hear Sliger's verdict on its proposed guidelines, developed after the disclosure last year that the CIA had several hundred secret agents on more than 100 campuses across the country.

Sliger told committee chairman Maurice Litton in a memo this week that the university's present guidelines might be restated to emphasize intelligence activities, but that most of the checks suggested are already in effect on campus.

His one major concession to the committee recommendations was his agreement that university employees that have ongoing, one-time or occasional relationships with the CIA as recruiters should inform the president or his designee.



Sliger

"I believe that our present guidelines on classified or secret investigation and scholarly activities are broad enough to include intelligence activities," he wrote.

Litton was out of town and could not be reached for comment last week.

But two other committee members, who had not yet received copies of the memo, said they weren't aware of any written guidelines that Sliger might be referring to.

"I don't know what guidelines he might be talking about," said associate education professor Ronald Good, a committee member.

Good said he would withhold an opinion on Sliger's decision until he had read the letter.

Another committee member, sociology professor James Fendrich, said his initial reaction to the memo was positive, although he wasn't sure some of the policies were strong enough.

Sliger's response came three

months after the guidelines were submitted to him and only a week after the committee members' fears had been stirred anew about the CIA's campus involvement.

It was last week that former U.S. government official Morton Halperin, now an anti-CIA campaigner, brought a horror story of infiltration to the FSU campus in a speech.

Halperin berated college presidents for deciding that the CIA was not on campus because agents were not flagrant about their affiliation. He said they operate like spies in foreign countries.

After hearing Halperin, the committee members had vowed to send Sliger an addendum to strengthen their call for control on any campus persons spying for the agency.

Halperin is urging universities across the country to adopt strict rules on CIA work. Only Harvard University has done so.

In rejecting the committee's call for new guidelines, Sliger detailed policies similar to those suggested that he said are already in effect at FSU. They are policies that:

- ✓ Classified or secret research should be discouraged by both faculty and administrators.

- ✓ The source of money and amount received and other information on contracts and grants should be published in FSU's quarterly, "Research in Review."

- ✓ Any employment in addition to a university job must be made known to university officials, along with the nature of the work and the name of the employer.

The faculty committee recommendations were a little stronger and more explicit. They included recommendations that:

- ✓ FSU employees be discouraged from engaging in known propaganda activities.

- ✓ Any research for the CIA be reported directly to the president or his designee.

- ✓ No university employee should work covertly for the CIA or give the name of another employee to the CIA without that person's knowledge.

- ✓ The "Research in Review" quarterly be distributed widely on campus, and all persons accepting grants be required to name their money source and other information.

Fendrich, who was the major writer of the committee's guidelines, said he feared "Research in Review" might not always be a complete listing of grants and that it should be available in public areas, like Strozier Library.

He said he wanted to discuss the memo with the full committee before commenting more on Sliger's ideas.

The Faculty Senate is also expected to discuss the CIA guidelines at its December meeting.

But it's doubtful that Sliger's n will be changed.

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# C.I.A. MEN OPENED 3 SENATORS' MAIL AND NOTE TO NIXON

Panel Says Aides Inspected  
Correspondence of U.S.  
Citizens for 20 Years

'BIG' PHOTOGRAPHIC FILE

Committee Agrees to Ask  
Ex-President If He Knew  
of Intercept Program

By JOHN M. CREWDSON

Special to The New York Times

WASHINGTON, Sept. 24 —

The Senate Select Committee on Intelligence disclosed today that over a 20-year period ending in 1973, the Central Intelligence Agency opened foreign correspondence to and from prominent Americans, including Richard M. Nixon and Senators Hubert H. Humphrey, Edward M. Kennedy and Frank Church. Senator Church, the Idaho Democrat who is the committee's chairman, described a C.I.A. file of photographic copies of inspected mail as "big" but said that in the case of Mr. Nixon, Mr. Humphrey and himself, only one letter each had been involved.

The letters were apparently intercepted during the C.I.A.'s routine surveillance of mail to and from the Soviet Union, China and Cuba. In that operation, millions of pieces of mail were intercepted, but not necessarily opened and photographed, the Rockefeller commission reported earlier this year.

## Criteria Not Known

Criteria used by the C.I.A. in deciding whether to open a particular letter have never been made public. Senator Church said today, however, that the names of none of the 12 individuals and institutions whose mail had been found in the C.I.A.'s files had appeared on the agency's "watch list,"

an index of names that were to be given special attention.

Mr. Church announced that the panel had agreed unanimously at a closed session of the committee that it would ask Mr. Nixon for his testimony on a number of related matters, for example whether he had been made aware while in office of the C.I.A.'s mail-intercept program.

The committee authorized its counsel, F. A. O. Schwartz 3d, to begin "negotiations" with Mr. Nixon's lawyer, Herbert J. Miller, on the time and place of the former President's appearance.

The C.I.A.'s surveillance of mail to and from American citizens, which took place at

various times in New York, San Francisco, New Orleans and Honolulu, has been investigated by other Congressional committees and by President Ford's commission on domestic C.I.A. activities.

But today's announcement by Mr. Church, during the public portion of the committee's hearing, was the first disclosure that the agency had opened, read and maintained in a special file photographic copies of overseas mail sent or received by prominent American political figures.

The file, which Mr. Church termed "big," was later described by a committee aide as having contained "correspondence to and from selected American politicians."

In addition, the Church committee's staff found copies in other C.I.A. files, of intercepted mail that had been sent or received by Dr. Arthur F. Burns, the chairman of the Federal Reserve Board; the Rev. Dr. Martin Luther King Jr., the late civil rights leader, and his wife, Coretta; John D. Rockefeller 4th, the Ford and Rockefeller Foundations and Harvard University.

The incident concerning Mr. Nixon, Senator Church said, involved a single letter mailed to him in June, 1968, when Mr. Nixon was the leading candidate for the Republican Presidential nomination, by an aide traveling in the Soviet Union.

Mr. Church said that the author of the letter, Raymond K. Price Jr., who later served as a speech writer in the Nixon White House, discussed among other things the candidate's

chances of gaining the nomination and a Presidential victory the following November.

In some instances, Mr. Church said, the C.I.A.'s files disclosed only one letter or a few to or from prominent politicians and other public figures, but in others the surveillance appeared to have been more extensive.

He said that his committee had ferreted out new information on the scope of the mail intercept program that would be made public soon, but he agreed to provide a few additional details about today's disclosure.

## Other Letters Found

The C.I.A. files also yielded, according to Mr. Church, a letter mailed in 1958 by Mr. Humphrey, a Minnesota Democrat, from the Soviet Union to someone in the United States and a number of letters to Mr. Kennedy, a Massachusetts Democrat, from "peace groups" abroad.

In his own case, Mr. Church said, the C.I.A. had seized a letter that he had sent from Moscow in 1971 to his mother-in-law, Mrs. Chase A. Clark of Boise, Idaho.

None of the individuals or institutions named today, Mr. Church said, have been found on the C.I.A.'s index, called the "watch list," of individuals whose correspondence was to be given especially close attention.

That list did include, however, such names as those of Linus Pauling, the chemist and Nobel laureate; John Steinbeck, the author, and Victor Reuther, brother of the late labor leader Walter Reuther.

Today's witness before the Senate committee was James J. Angleton, a 57-year-old retired C.I.A. official who served for 20 years as the chief of its counterintelligence section and was responsible during that time for the mail-intercept operation.

Mr. Angleton conceded under questioning by committee members that the operation, known in C.I.A. nomenclature as HT Lingual, had been undertaken in direct violation of Federal statutes that prohibit any tampering with first-class mail.

C.I.A. operations are typically described by a code phrase made up of a two-letter prefix designating a certain country, geographic region or internal C.I.A. division, followed by a meaningless code word. The agency's project involving the storing of various poisons, which the Church committee disclosed last week, was termed NK Naomi, for example.

As far as is known, the C.I.A. intercepted only letters between the United States and the Soviet Union, China and Cuba, which were made available to it at postal sorting facilities in the four cities where the operation was centered.

The intercept of mail to and from the Soviet Union occurred over the entire 20-year period of the operation at Kennedy International Airport in Queens. The three other operations were of shorter and intermittent duration.

The letters intercepted by the agency to and from Mr. Nixon and the other individuals and institutions mentioned today by Mr. Church apparently occurred in the course of the agency's normal surveillance of such traffic.

Mr. Angleton declined to say in public today just what the "watch list" comprised, or how the names of Dr. Pauling, Mr. Steinbeck and Mr. Reuther came to be on it.

Mr. Angleton, an intense, silver-haired man who was known to his C.I.A. colleagues as "Mother," nevertheless defended, despite his admission of its illegality, the effectiveness of the HT Lingual operation.

(Orig under C.I.A. Angleton, James)

continued

CIA 8 Senate Select Cte

CIA 3.01.76

Nixon, Richard

Kennedy, Edward

Church, Frank

Humphrey, Hubert

CIA 4 8 USSR

China

Cuba

Burns, Arthur

King, Martin Luther

Rockefeller, John D.

Orig 1 Ford Foundation

Rockefeller

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# AAP, Ford Sponsor "Casebook" Conference on First Amendment

On April 18-20 the Association of American Publishers and the Ford Foundation jointly sponsored a Conference on Book Publishing and the First Amendment, the first of its kind to be held by the two groups, at the Harrison Inn, Southbury, Conn. The conference was attended by judges of the federal and state courts, publishers and editors, and writers, lawyers, librarians and others concerned with the issue, all of whom were present by invitation. Structurally, the group was broken down into 28 "participants" and a larger number of "observers." To foster the freest exchange of ideas, all discussion was "without attribution"—a form of prior restraint even the journalists present cheerfully agreed to.

The structure of the three formal sessions followed that used in the more rigorous law schools. Each was led by a professor of law expert in a particular field and skilled in what the sponsors called "the Socratic method." The participants were given hypothetical statements of fact contained in three hypothetical "casebook studies," but related to real situations that publishers, writers and librarians have come up against, in and out of court. The professor asked questions about the given situations, sometimes calling upon various participants by name, sometimes giving the floor to hand-raising volunteers. As the answers came, he carried the inquiry further and deeper, changing the facts and playing virtuoso variations on his theme. There was general agreement that each of the professors had done a superb job.

Most of the questions were not easily answered; to many of them, it seemed, the professors themselves had no certain answer, or even an answer considerably short of certain. The "Socratic" label was not quite accurate. Socrates had his own conclusions to which he neatly drew his straight men: the professors sought rather to articulate and narrow issues and to suggest avenues of inquiry.

The result was a good deal of illumination. Problems that publishers, editors and writers face were spread out before the judges present. Most of the judges had encountered some such problems in their courtrooms, but the conference gave them a different perspective and perhaps a broader understanding of the realities of publishing than can be derived from the hemmed-in facts of a case in court. At the same time, the other participants and observers gained an appreciation of the difficulties judges face in deciding the issues that arise at the interaction of First Amendment freedoms with other guarantees of the Constitution. It is not easy, the conference

made plain, to resolve the tensions created by opposing vectors of different but equally legitimate social policies.

The first "case" dealt with libel, privacy and confidential relationships; the second with the selection and rejection of books used in schools and libraries; the third with the publication of information the government wants to keep secret. There was a wealth of stimulating discussion which cannot be reported briefly. The sponsors are preparing a summary which will be made available to those present and, upon request, to others. A few points may be noted:

An interesting aspect of the first session was the publishers' inclination to impose upon themselves restraints more confining than the law demands. One of the lawyers mentioned that with the new constitutional defense announced in *Times v. Sullivan* and expounded in subsequent cases, a publisher might, in many situations where a public figure is involved, avoid liability by closing his eyes to anything outside the manuscript—that he would often be safer if he did not check what his author wrote. Several publishers expressed an unwillingness to take advantage of this development in the law. The professional standards of publishing, it developed, may dictate more severe inhibitions in the field of libel and privacy than the law does.

## Militancy: Trade vs. Text

The second "case" focused on conflicts with school boards, state agencies and local communities. There seemed to be a difference here between the textbook publishers and the trade book publishers; the former evidently regarded their problems as less serious than the latter (or the professor) did. It was pointed out that some agency of government has to be responsible for selecting the materials used in the public school system, and that so far as the First Amendment is concerned, an official refusal to use a particular book does not amount to a general suppression of that book. The trade book publishers (at least those who were heard from) demonstrated a more aggressive attitude and a greater eagerness to explore the possibilities that resort to law might offer. One lawyer-participant advanced the notion that, in addition to whatever effect the First Amendment might have, other provisions of the Constitution might supply a basis for legal attack on censorious boards and agencies, specifically the due process and the privileges and immunities clauses. The suggestion was that whatever may have been the situation 200 years

ago, our society has grown so complicated that there is a constitutional right to a decent education. If 20th-century democracy is to function, the argument ran, a certain level of knowledge must be achieved by its citizens; and this preparation for participating in government is, correlatively, the right of future voters. Hence arbitrary or capricious selection or rejection of educational materials might be attacked as state action violative of the Fourteenth Amendment.

The final "case" presented a hypothetical situation in which an anonymous phone caller says he works for the CIA, has copies of secret, politically explosive CIA documents, and offers to sell them to a publisher for \$100,000. In the course of the discussion, one of the publishers addressed himself to the criminal aspects of the situation, and to what he felt was the apparent approval of it on the part of some of his colleagues. "I feel like a Boy Scout in a brothel," said the publisher.

"Is that good or bad?" asked the professor. On this last question, as on many others, the conference was unable to achieve consensus.

The judges were active and impressive participants in all three sessions, but they became especially vocal in the third. The publishers and lawyers who spoke argued strongly against prior restraints. The judges, in contrast, emphasized the importance of having enough time to reach a sound decision, and contended that the brief stay imposed by a temporary restraint ordinarily had little effect on the public's need to know—that in the usual situation it made little difference in terms of public welfare whether the book came out immediately or one week later. One of the judges, who had an effective down-to-earth manner, summed up the judicial position by asking, "What's the hurry?"

CHARLES REMBAR



Paul Grimes

13 OCT 1965

P. Grimes, Paul  
Strausz-Hupe, RobertOrig. 1 Foreign Policy  
Research Inst. etc.

Bulletin Staff Writer

## Penn professor is pawn in ideological conflict

The stalled nomination of Prof. Robert Strausz-Hupe to be U.S. ambassador to Morocco poses a critical question for American consciences: whether a staunch anti-Communist is necessarily any more or less respectable than a fervent peacemonger.

Dr. Strausz-Hupe, a professor of political science at the University of Pennsylvania, has never tried to hide his conviction that communism gravely threatens the American way. In fact, he has spent much of the last 25 years as a sort of scholarly Paul Revere.

### Friend of President

He has welcomed publicity and has carefully built the highest social, governmental and military connections. He has climbed far from his Central European boyhood, in which he tried to live imperially but was born beyond his time and could rarely muster enough cash.

Early last August, his good friend Richard Nixon nominated him to be an ambassador. But Chairman J. W. Fulbright (D-Ark), of the Senate Foreign Relations Committee, saw red (in this case with a small "r.") He apparently considers Strausz-Hupe a menace to world peace and has blocked Senate approval.

It's no news that President Nixon favors conservatives for important government jobs. Some new ambassadors are as hawkish as the Penn professor, but haven't made a career out of saying so and trying to influence others.

They have gotten past Fulbright because their anti-Communism has often been based more on clichés and an instinct for self-preservation rather than on research and reason. Thus, in Fulbright's view, they don't pose the "danger" that Strausz-Hupe does — of leading the White House and State Department down a treacherous path instead of just following instructions.

### Caught in

What appears to have happened in the Strausz-Hupe case is that he has become a



Bulletin Staff Photo

Dr. Robert Strausz-Hupe

... caught in the middle.

frontation. It is a confrontation between a dovish Democrat in a commanding senatorial position and a Republican President who may represent a lot of different things to a lot of people but is certainly no shining liberal.

President John F. Kennedy could hardly have been expected to give a man like Strausz-Hupe a diplomatic plum. Similarly, President Nixon could hardly be expected to shower favor and honor on someone like Prof. John Kenneth Galbraith, the outspoken former national chairman of Americans for Democratic Action.

Because Kennedy and Fulbright were both essentially on the same side, Galbraith could be nominated as ambassador to India in 1961 and easily be confirmed. But because Mr. Nixon and the senator are on opposite sides, the President is in trouble over Strausz-Hupe.

### Target on campus

The Strausz-Hupe issue has become muddled in many minds because of all the scare talk, particularly among the young, of right-wing extremism. To many student activists on the Penn campus, he and his university

affiliated Foreign Policy Research Institute has done considerable work for the military and has been linked to the Central Intelligence

the "Establishment" at its most ominous.

It is obvious from a study of the man and his credentials, however, that this is grossly unfair. Regardless of how much one may disagree with him, Strausz-Hupe is no irresponsible John Birchler who maliciously distorts facts and makes truths out of falsehoods to suit his convenience.

### Amplified qualified

It is obvious that his background and studies give him ample justification to believe and say what he does. It is also obvious, though — and this is important — that sound research can often lead to two diametrically opposite conclusions rather than one absolute truth.

Thus, both a Strausz-Hupe and a Galbraith can have valid reasons for saying what they do. It is the responsibility of an informed public to decide whose views to follow, but to acknowledge that both sides, no matter how distasteful one of them may seem, may be worthy of respect.

10 FEB 1968

HAVE TALENT, WILL GO

Original, Thomas  
Foreign Service  
Research, Inc.

## State Retirees Offer Foreign Expertise

By THOMAS DIMOND  
Star Business Writer

Unable to sleep nights worrying about the conflicts between African nationalism and tribalism?

Does the wife complain you spend too much time brooding about the trend in increased military control of governments and methods for democratic restoration?

Now you can put the State Department to work for you. Or, at least, the former State Department.

A group of retired foreign service officers, including an ex-assistant secretary and a couple of former ambassadors, have established a new Washington company that will research issues like these.

The company, Foreign Service Research, Inc., says it will work for business executives, government agencies, foundations and associations concerned with international affairs, and foreign governments.

### Selling Service

What the company is selling, in effect, is experience, contacts and influence. The firm, for example, may conduct negotiations for a businessman who needs a foreign permit or license to operate overseas.

Or it might provide the answers for a foundation that is curious about foreign public opinion of U. S. programs and legislation.

"The company was partly my idea and that of some of my friends," said Walter H. Dustmann, president of Foreign Service Research. "We've had indications it would be welcome in the business world.

"For instance, a bank might want to open a branch in some out-of-the-way country and might want to know whether it's feasible to do it or not. We can send a man who speaks the language, knows who to see and

how to evaluate things."

Besides Dustmann, the firm is composed of an advisory board of 11 former State Department officers, including former Asst. Secretary W. J. Gallman and Aaron S. Brown and C. Vaughan Ferguson Jr., both retired ambassadors.

The advisory board will pass on requests, Dustmann said. "We wouldn't accept a job if we thought it beyond our competence," he remarked.

Dustmann emphasized that the advisory board members, who are part-time employees, and other ex-foreign service officers who will be available for assignments have gained experience all over the world.

Retired in 1962

Dustmann himself retired in 1962 after serving as consular and chief political and labor secretary at posts in Ecuador, Panama, Guatemala and Chile. A company brochure says he has "unique experience with foreign labor and political problems and is favorably known to senior officials of ministries in Europe and Latin America.

"As a reserve colonel in the U. S. Army and a graduate of its Command and General Staff College," the brochure continues, "Mr. Dustmann has also had the opportunity to work closely with many of the military leaders now rising to prominence in Central and South America."

And of the company's yet-to-be-assembled staff, the brochure says it has "access to foreign information sources not generally available."

Asked if this meant Foreign Service Research was a cloak-and-dagger outfit, Dustmann replied hastily, "Oh no, oh no, we're not at all, I assure you." The phrase alludes to the staff's contacts, he explained, "people in key positions who can be helpful."

~~Orig Foreign Correspondents Association~~  
4 Jan 78

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Mr. Hetu:

Nothing but bad news on the Foreign Correspondents Association. Library queried White House Situation Room and received call from Fred Shaver, NSC Staff. He referred us to Walter Kohl, Foreign Press Center, Office of Policy and Planning, USIA. Mr. Kohl said that [ ] and, in general terms, a con man. Not someone to trust and certainly not someone to bring a group of foreign journalists into Agency. The group is composed of totally foreign journalists and, hence, cannot come in. I'll draft a letter for your signature to this effect when I receive theirs.

Mr. Kohl said that if the Agency ever decides to allow foreign journalists into the Agency, his office could come up with a list of the best for us to have.

mary ellen

Great job - Thanks - don't

Mr. Kohl  
724-1640

call us

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*Foreign Press Association*

18 July 1977

Mr. Gastone Orefice  
President  
The Foreign Press Association  
866 Second Avenue  
New York, New York 10017

Dear Mr. Orefice:

Thank you for your letter of July 11th. We very much appreciate your invitation to organize a luncheon in honor of Admiral Turner. Unfortunately, his schedule is so full into the foreseeable future that we are not able to accept at this time. I will, however, keep your invitation in mind should a date and time become available.

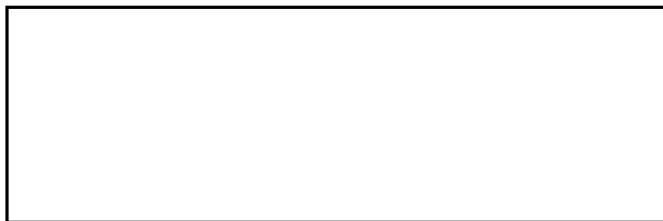
Many thanks again for your kind offer.

Sincerely,

*SIGNED*

Herbert E. Hetu  
Assistant for Public Affairs  
to the Director of Central Intelligence

STAT



**THE FOREIGN PRESS ASSOCIATION**

(FOUNDED 1918)

866 SECOND AVENUE, NEW YORK, N. Y. 10017

TELEPHONE (212) 971-5723

July 11, 1977

Mr. Herbert Hetu  
Press Secretary to  
the Director of CIA  
Public Affairs Office CIA  
Washington, D.C. 20505

Dear Mr. Hetu:

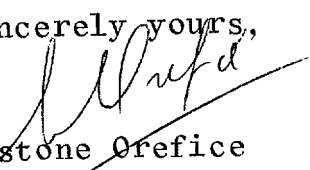
The Foreign Press Association, which includes the majority of all the foreign correspondents in New York and Washington, D.C. (450 members), would like very much and would consider itself very honored to have the opportunity to meet with Admiral Stansfield Turner.

We would be very pleased if we could organize a luncheon in New York in honor of Admiral Turner, this will give the foreign correspondents an opportunity to ask him some questions.

I am, of course, at your disposal for any further information you may require, and I would be very glad to visit you in Washington at your earliest possible convenience.

Hoping to hear from you I remain,

Sincerely yours,

  
Gastone Orefice  
President

GO/mg.

14 JUL 1977

THE FOREIGN PRESS ASSOCIATION  
866 SECOND AVENUE, NEW YORK, N. Y. 10017

FD

Mr. Herbert Hetu  
Press Secretary to  
the Director of CIA  
Public Affairs Office C I A  
WASHINGTON, D.C. 20505



OR 91 Foreign Press Center

Ellsworth, Robert

P-Nunez, Antonio Isse



EMBASSY OF THE  
UNITED STATES OF AMERICA

U.S. INFORMATION SERVICE

(orig under OAg 1)

Mexico, D.F.  
September 26, 1974

Mr. Robert Ellsworth  
Director  
Foreign Press Center  
National Press Building  
529 14th St., N.W.  
Washington, D.C.

Dear Bob:

This letter will introduce Mr. Antonio Isse Nuñez, director of the Economic Section for NOVEDADES, one of Mexico's more important newspapers.

Mr. Isse is an old friend of the press section at the Embassy and has participated and cooperated in a number of economic projects sponsored by USIS Mexico.

Any assistance you can give him will be greatly appreciated by us.

Sincerely,

Michael Kristula  
Press Attaché



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Org / Forging Industry  
ASSOCIATION

For additional information on the above, see:

FILES

DATES

DCI TRIP FILE

30 April 1979

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OR 91 Frederick Rotary Club  
White, Thomas

## Rotary given perspective of CIA

While the Central Intelligence Agency is relatively new in an historical perspective to the United States, the idea behind the organization dates back to George Washington and the American Revolution, and even to warlords of the Chinese dynasties. "As long as we are dependent on other countries we need to know who's going to cut us off if we do something that they will disagree with," said Thomas H. White, assistant for Information Directorate of Administration for the CIA.

Guest speaker at the Frederick Rotary Club meeting at the Holiday Inn Wednesday, White states that in order for the nation to be strong politically and economically intelligence is a necessity. "The purpose of intelligence in a free society is to keep us free," he added. Recently the CIA has begun a public relations campaign to educate the people of the United States concerning actions of the organization. "We're trying to rekindle the faith of the American people in the CIA. By explaining what kind of people we are, what our motives are and what our activities are we hope to set people at ease," said White.

"It's a sign of changing times that I'm here," he said. The CIA was created in the midst of a cold war. The Russian Army was gaining strength and power. Only the name of the director of the CIA was known. "No one wanted to hear about the CIA," said White. "Now after several wars and social revolutions we can no longer remain silent. We must account for what we're doing."

The "intelligence business" concerns approximately three areas including the collection of overt and covert information, analysis and production leading to final reports, and the influencing of events. "The 'James Bond' end of the business is very small," said White.

"We are an independent agency, not a government toy," said White. The CIA has no police functions, it does not investigate crimes and members of the organization do not carry weapons, he added. The CIA is involved in investigation of the extent of another country's military power which enables the United States to build arms and military of equal size and power. They watch political trends in other countries that officials in this country may aid in negotiations in avoiding internal eruptions. The CIA is also involved in guarding the policies established by the SALT Treaty with Russia.

"People are never opposed to intelligence in war time, but there are many objections to the organization in times of peace. We are not the political or economic leaders we once were," said White. "In order to regain this dominance the U.S. must establish clout

Thomas White received his BA degree in accounting in 1960 from Brigham Young University and his Juris Doctor in 1963 from the University of Southern California. He served with the USAF as a Ground Controlled Approach Tower Control Operator from 1950 to 1954. He is a member of the California State Bar and practiced law in Southern California prior to entering government service, specializing in Municipal Law. During this time he served as District Attorney of Corona, California.

Mr. White entered government service in 1967 serving with the Foreign Service of the Department of State. He filled overseas assignments in Latin America and Vietnam. In July of 1975 he joined the Central Intelligence Agency as an Associate Legislative Counsel responsible for liaison with members and committees in Congress. He currently serves as the Assistant for Information in the Directorate of Administration and is responsible for compliance with the Freedom of Information and Privacy Acts.

White and his wife Kathleen live in Braddock Heights with their four daughters.

S 3016

CONGRESSIONAL RECORD—SENATE

March 9, 1976

Marcia Barrett and Robert Davis and included Mimi Paul, Lili Cockrell and others who have since achieved a measure of attention.

Resident choreographer, regisseur and occasional performer for much of the period was Frederic Franklin (who partnered Alexandra Danilova in her farewell ballet appearances with the company) and guest soloists included Maria Tallchief and Erik Bruhn.

There were world premieres of choreography by Day, Davis and Franklin, important revivals such as the "Prince Igor" dances and mountings of standard classics like "Giselle" and the "Swan Lake". Such is the past which the bright youngsters can consider a part of their roots and possible guide to the future.

EXHIBIT 3

[From the Washington Post, Mar. 8, 1976]  
A DOUBLE-BARRELED SHOWCASE FOR BALLET  
(By Alan M. Kriegsman)

The Washington Ballet launched an ambitious new project Sunday, with three performances of the same program at the Marvin Theater (another repeat is slated for Friday evening). It was an auspicious start for an eminently worthwhile undertaking.

The company makes no pretense at being a professional troupe. The dancers, students at Mary Day's well-known school, are relatively inexperienced teen-agers. The new series is intended as a double-barreled showcase—to give these "preprofessionals" a chance to try their wings under professional circumstances, and to give younger choreographers an opportunity to display their works. These are praiseworthy aims, and Sunday's program gave evidence that both will be effectively fulfilled.

The program included the American premieres of two pieces by Choo San Goh, a 28-year-old dancer with the Netherlands National Ballet. "Octet Plus Four," set to Prokofiev, is a breezy, geometric ensemble work in a neoclassic vein. "Impressions Passed," to Ravel, is a nostalgic pas de trois somewhat in the manner of Joffrey's "Remembrances." In vivid contrast was Rudy Perez' "New Annual," a jeans-clad, irreverent romp in a conspicuously nontraditional idiom. Also on the program was a version of "Swan Lake, Act II," tastefully scaled to the troupe's size and abilities by Mary Day.

It is just this kind of stylistic diversity which young dancers—no less than audiences—need, to equip them for the eclectic world of contemporary dance. As it was, the performances reflected both exacting training and an enthusiasm for novelty. Particularly notable contributions came from Patricia Miller in "Swan Lake" and Madelyn Berdes in "Impressions Passed." The series will introduce works by four other choreographers in programs scheduled for mid- and late-April.

KGB AGENTS MASQUERADING AS DIPLOMATS

Mr. HELMS, Mr. President, it is indeed unfortunate that some of our citizens seem to believe that the CIA is no longer essential to the conduct of our foreign policy. Because of the close scrutiny of our intelligence operations by Congress, many in the general public have received a distorted view of the CIA's operations and purposes. This is perhaps the inevitable result of sensationalizing certain incidents and operations, leaving the impression that the particular event in question was typical of all operations.

The plain fact is that we cannot do without a well-coordinated intelligence

operation, including one that engages in covert action. I myself could raise many questions about the policies and strategies of the CIA; but they are, in the main, the same questions I would raise about the national policies which the CIA was merely implementing. It appears to me that many of those who are engaged in criticizing the CIA are more interested in exposing and destroying our intelligence capability than in strengthening our national policies.

Yet we know full well that, however crippled our own intelligence apparatus might be, the Soviet espionage apparatus continues to operate in high gear. The KGB has its agents everywhere, often hiding under the cloak of diplomatic immunity. And, of course, it is not only in Soviet diplomatic missions that the KGB is to be found. The Soviet secret police operations are found throughout the missions of the members of the Warsaw pact. The recent hearings of the Senate Internal Security Subcommittee detailed the operations of KGB Czech intelligence agents and their espionage against the United States.

However, we must not forget that the presence of the United Nations in New York City doubles the opportunities for KGB infiltration, with most countries maintaining two complete diplomatic missions, one in Washington, and one in New York. Moreover, more often than not, agents are not living in diplomatic compounds, but are allowed to live outside in the American communities. The Communists only trust highly trained and disciplined KGB agents to live in separate quarters.

Thus the liberation group Free Poland, has been performing a notable public service by identifying and publishing the names and addresses of known KGB agents who are living in the midst of U.S. communities, but are actually posing as diplomatic personnel. The American people have a right to know whether the distinguished diplomat living next door or in the next apartment is really an agent of the most ruthless secret police operation in the world. By exposing such agents, Free Poland not only puts Americans on guard against the individuals so named, but reminds the whole world of the insidiousness of the KGB operations.

I do not know how Free Poland has been able to obtain this information. Suffice it to say that the liberation exile groups have very close contacts in the enslaved countries, and we know that information of this sort is hard to suppress. The first names were revealed last month, and to date, despite extensive media coverage in New York, the information has not been denied, nor has it been shown to be incorrect. I hope that Free Poland will continue to cultivate its sources, and that other liberation groups will be able to publicize similar information about the diplomats of other countries under the Communist yoke.

Such operations can have a powerful effect toward reminding Americans about the value of freedom. Not long ago, it will be recalled, Ambassador Daniel P. Moynihan spoke to the Yugoslav Ambassador to the U.N. about Communist efforts to

give observer status at the U.N. to the Communist-inspired "Puerto Rican Liberation Movement." Moynihan later wrote as follows:

In the most placatory way I suggested that he certainly would not like the United States to start supporting some Croatian Liberation Movement at the United Nations. Well he sure wouldn't. He turned purple and started raving about Fascism. In no time our embassy in Belgrade was being asked for an explanation of this outrageous provocation.

If the very mention of anti-Communist liberation movements can send Communists into a fury, it is clear that self-organized liberation movements can do much to keep alive the hope of freedom and the thought that one day freedom might be restored in Communist lands.

Mr. President, I ask unanimous consent that the statements published by Free Poland be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[News release from the Combat Organization, Free Poland, Feb. 13, 1976]

LETTERS OF PROTEST

Today letters protesting the activities of five KGB agents attached to the Soviet Mission to the United Nations was sent by four allied revolutionary organizations from Eastern Europe to the Ambassadors to the United Nations of all non-Soviet controlled countries. The National Liberation Movements, the Combat Organization Free Poland, the Cossack Defense Department (OKO) Free Cossackia, the Slovak Revolutionary Army (SRA) Free Slovakia, and the Croatian Liberation Army (HOV) Free Croatia, through their spokesmen Dr. Konstanty Z. Hanf of Free Poland, state they have decided to disclose the names, private addresses and telephone numbers of five top KGB operatives at the United Nations because of the hand of the KGB in publishing details about CIA agents which led to the death of Richard Welch, CIA station chief in Athens, because they wish to warn the Soviets against suppressing the Croatian National Movement inside Yugoslavia after the expected death of the seriously ill Tito within the next few months, and in order to warn the United Nations Missions of all non-Soviet controlled countries of the danger of subversion against their governments by these particular alleged diplomats.

The organizations, according to Dr. Hanf, neither conduct nor condone any violence on the territory of the United States, but wish to make it clear that the deaths of nine of their people at the hands of Communist assassins in Western Europe in recent months does not go without retribution.

Following is a reprint of our letter mailed on February 18th, 1976.

FREE POLAND,

New York, N.Y., February 13, 1976.

YOUR EXCELLENCY: The Joint Staff of the Combat Organization (OB WP) Free Poland, the Cossack Defense Department (OKO) Free Cossackia, the Slovak Revolutionary Army (SRA) Free Slovakia, and the Croatian Liberation Army (HOV) Free Croatia, represented by the undersigned on the basis of joint agreement between all four National Liberation Movements, request your taking immediate appropriate steps to demand the expulsion from the United Nations of the following KGB (Soviet Secret Police) agents attached to the Soviet United Nations Mission:

(1) Dr. Richard Sergeevich Oshinikov, Adviser and Envoy, Extraordinary and Minister

A Memo From:

Dan Ellsberg

Frances Fitzgerald

Frances Fitzgerald

Dear Friend,

We thought the Vietnam war was over . . .

We hoped the Vietnam war was over . . .

But, the United States Government does not act as if the war is over. Although it has made a commitment to "usher in an era of reconciliation with all of Indochina," and to "contribute to the healing of the wounds of war" -- it has not yet met its promises.

The brutal bombings of the Bach Mai Hospital three years ago this Christmas did not represent the American people. And, we don't believe today's diplomatic war waged by our government represents us either. Nor do we feel represented when our government finds millions for dictators, juntas, and repressive regimes, but only icy neglect and broken promises for Vietnam.

The Vietnamese still urgently need help. Today. They are no longer being bombed, shot or napalmed. But, in their country, there are millions of unfilled bomb craters each breeding malaria and disease; there is widespread ecological devastation to forests and farmlands; and there are the continual casualties of war from the 2-4 million unexploded live bombs hidden unseen in the soil of Vietnam.

America's largest voluntary agencies have turned their backs on these awesome needs. CARE doesn't care for Vietnam . . . the American Red Cross has not allocated one cent for the Vietnamese from its budget of millions. But, people do care, and they are doing something about it.

This is why 40 religious, civic and peace organizations have come together to form FRIENDSHIPMENT -- a unique people-to-people program providing the kind of aid which is needed most -- food, medical supplies, and tools for reconstruction.

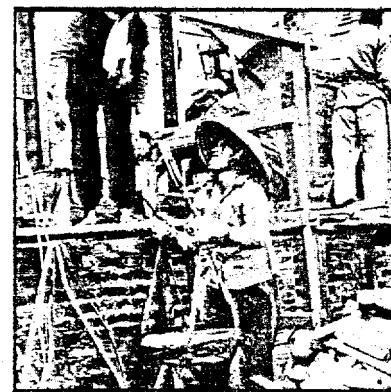
- FRIENDSHIPMENT is surgical instruments for a necessary operation . . . plows for planting . . . and

(please turn over)

**FRIENDSHIPMENT**

ORGANIZED BY  
Friends of Ellsberg

PEOPLE-TO-PEOPLE AID

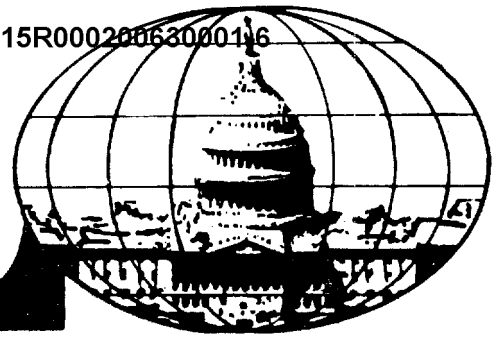


Rebuilding bombed-out Bach Mai Hospital.

**U.S. GROUPS SEEKING HELP FOR VIETNAMS**

A campaign to assist North Vietnam and South Vietnam was opened yesterday by American church and civic groups under the name Friendshipment. The campaign, according to its sponsors, will try to collect at least a million-dollar to send load to Vietnam. It also will try to influence Congress to lift the embargo prohibiting trade except under special license. A news conference held by representatives of the aid agencies was attended by Nguyen Van Luu, North Vietnam's observer at the United Nations, who said the assistance would be accepted. A number of the agencies meeting representatives

# FCNL



No. 368

Telephone: (202) 547-4343

March, 1975

## CONGRESS STUDIES FORD BUDGET REQUEST

### DEEP RECESSION BUDGET STILL FAVORS MILITARY

The Ford Administration, reeling under a deteriorating economic situation, is proposing a 1976 fiscal year (FY76) budget with a *minimum* deficit of \$52 billion.

To meet the economic crisis, President Ford proposes:

- **Tax Cuts.** The total Ford program would give 42% of the tax cut to taxpayers who earn more than \$20,000 per year, 15% to those with incomes under \$10,000.

The February 27 House-passed plan would give 10.5% of its tax cut to taxpayers who earn more than \$20,000, 55.1% to those with incomes under \$10,000.

- **A new energy program,** which would raise oil import fees and taxes on domestic producers and stress research and conservation. (Rep. Charles Vanik, Ohio, estimates that solar energy research accounts for less than 2% of the budget of the new Energy Research and Development Administration; more than 78% of ERDA's operating budget is related to nuclear energy.)

- **A one-year moratorium on new spending** other than energy programs (which means active Administration opposition to any new programs for health care, income maintenance, or full employment).

- **A temporary 5% ceiling on pay increases** for federal employees and on benefit payments to individuals which are tied to the cost of living. (With inflation projected by the Administration at more than 10% in 1975 and 7% in 1976, this would reduce real income for Social Security, food stamps, and child nutrition programs, supplemental security income, and federal employee retirement systems.)

The President's theory of recovery: "I believe that tax relief, not more government spending, is the key to turning the economy around to renewed growth."

"Hold It! First, The Tax Rebate — Then  
The Oil Boost — And The Gas Bill —  
Then The Amount Dad Won't Get In  
Social Security — Then —"



### But Military Up

Nevertheless, the President wants to increase military-related programs substantially. Congress is being asked to approve a military security program of \$107.2 billion. This is a 14.3% increase over FY75 requests. (See table on page 3 for details.)

What are some of the reasons the Pentagon cites to justify increased requests in a time of acute recession?

Despite huge past military budgets, Secretary of Defense Schlesinger is now pleading poverty before various Congressional committees on several grounds:

#### Gross National Product

The Pentagon argues that its share of the gross national product is falling (from 9.2% in 1961 to 7.6% in 1971 to an estimated 5.9% in 1976).

But it does not spell out why military spending should continue to be a specific percentage of the total economy. With huge overkill and detente, why should military spending go up with the economy? The hundreds of billions of dollars

### SPECIAL BUDGET ISSUE

This newsletter concentrates on President Ford's legislative program expressed in his proposed budget. It is already clear that Congress will not accept many of his recommendations.

Your Senators and Representatives will be voting on Presidential budget requests in the coming weeks—on authorization bills, on appropriation bills and on a budget resolution. Many votes will come before May 15.

Now is the time to communicate your views to your community through letters to the editors, and to members of Congress through letters, calls and visits.

If your Senators or Representatives are on the Appropriations or Budget Committees or authorizing committee considering legislation of interest to you (Armed Services, Education & Labor, etc.) they have the special opportunity to reshape budget requests drastically before such requests are presented to the House and Senate for a vote. (See last month's FCNL Newsletter for committee assignments and District offices for personal visits.)

granted to the Pentagon over the past decades have bought a deadly arsenal of nuclear bombs, missiles, submarines, planes and ships. According to Sen. Stuart Symington, MO, the U.S. has 36 nuclear weapons for each Soviet city of 100,000 or more. The USSR has 11 nuclear weapons for each comparable U.S. city.

#### Share of Federal Spending

The Pentagon argues that its share of the federal budget is falling (from 47.6% in 1961 to 36.3% in 1971 to an estimated 26.9% in 1976). But in absolute terms, military requests have risen rapidly from \$43.2 billion in 1961 to \$107.2 billion in 1976. Non-military spending during this period has been increasing even more rapidly, primarily in the "income secu-

(Continued on Page 2)

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# BRIEF GUIDE TO THE FEDERAL BUDGET NUMBERS GAME

## TO HELP YOU READ THIS NEWSLETTER AND YOUR DAILY PAPER

**Fiscal Year.** The beginning date for the federal government's fiscal year is being shifted from July 1 to October 1, to allow Congress a full nine months to complete its authorization and appropriation process. This year's request contains proposals for FY76 under the old timetable of July 1, 1975 to June 30, 1976, plus a transitional quarter, July 1, 1976 to September 30, 1976, so that FY77 can begin on October 1, 1976.

**Budget Authority.** This is the amount the President asks Congress to make available to federal agencies to spend or lend. This year it is \$385.8 billion. Of this amount Congress must act specifically on \$226.3 billion for FY76. The remainder is for multi-year authorizations, or is already available under existing laws, mostly Social Security and Highway Trust Fund programs and interest on the national debt.

**Outlays.** Funds actually spent, whether authorized in the current or previous years. FY76 outlays are estimated at \$349.4 billion.

FCNL does not try to analyze the overall budget, but rather that portion of budget authority which Congress is asked to fund in any one year. Budget authority suggests the trend of future outlays. For all national security items in FY76, outlays are estimated at \$95 billion; budget authority is \$107.2 billion.

**Supplemental Funds.** In addition to requesting funds for FY76, President Ford is asking for an additional \$14 billion for the current 1975 fiscal year. These include pay increases for federal employees and \$5 billion of advances to the unemployment trust fund.

**Rescissions and Deferrals.** In addition to asking for supplemental money for some programs, President Ford has proposed to Congress that he *not* spend some funds already appropriated, either by deferring the spending or rescinding outright the Congressional action. During his administration, President Nixon asserted his presidential authority to impound (not spend) large amounts of money for Congressionally approved programs. This led to a new law under which the President may propose to rescind previously approved funding measures. But the rescissions will *not* become effective unless Congress specifically approves them within 45 days. Proposed deferrals of spending become effective unless one house disapproves them. For FY75, President Ford has asked Congress to rescind some \$2.4 billion and defer \$21 billion in various programs. Practically all the proposed rescissions have been rejected by Congress.

## MILITARY/NON-MILITARY COSTS

If the percentage of military to non-military spending in FY76 is computed on total budget authority, *including trust funds*, the military percentage is 27%. Government trust funds include rapidly expanding social insurance programs financed separately by social security and other payroll taxes. These funds are not supposed to be available for general government purposes and do not require yearly Congressional action.

If military spending is computed as a percentage of the funds *which Congress must actually appropriate*, for FY76 the figure is much larger. On this basis the current military request is 47.4% and is larger still if veterans' costs and the portion of interest on the national debt attributable to past wars are included.

FCNL traditionally has computed the Pentagon's share of the budget on the amount of money Congress makes available each year (which *excludes* most trust funds) for two reasons. First, this computation is based on the bills on which members of Congress must vote during the course of the year. Second, FCNL's analysis shows how the President proposes to allocate our federal income tax dollars.

By interesting coincidence, for FY76 the Administration projects that the total amount collected from all individual income taxes will be \$106.3 billion. It will take every penny of this amount, and more, to pay for projected military programs of \$107.2 billion. Corporate, excise, estate and gift taxes and an increase in the national debt would be needed to cover all remaining governmental programs.

*Continued from Page 1*

city" and health categories, reflecting increases in Social Security, Medicare and Medicaid. Has the average citizen received more real personal security from the "income security" program or from the "national security" program which took more than 56,000 American lives and \$140 billion during the Indochina war?

### Keeping Up with the Russians

The Pentagon argues that the Soviet Union is spending more for arms than the U.S., and says it is essential to keep up with the Russians. Even if one accepts the Pentagon's analysis of the relative levels of Soviet and U.S. arms budgets, would the U.S. gain greater security by more spending?

One reason for the reported surge in Soviet arms production is said to be their determination to wipe away the "humiliation" suffered at the time of the Cuban missile crisis. Won't a new spending spree by the U.S. now only cause the Soviet Union to try to catch up again, thus assuring a spiraling arms race?

The debate on the level of military spending must shift to basic issues:

1. What significance does "maintaining a worldwide military balance" have in an age of "overkill"?

2. What value is military spending when the world's central problem is how to redress economic and political imbalances between the current "have" and the "have not" countries?

3. Why should the U.S. continue to maintain more than 2,000,000 persons on active military duty and hire almost 1,000,000 for the Department of Defense? Why should more than 20% of all U.S. forces be in foreign lands? Why should 300,000 U.S. troops remain in Europe?

4. Why should the U.S. provide \$2.7 billion annually for gifts and credit sales of military equipment to allies and the training of thousands of their military personnel, especially when 60% of the 51 countries receiving such aid have oppressive, authoritarian governments, according to the State Department?

5. With the glut of nuclear weapons, why is the Administration still asking for \$2 billion to design, produce and stockpile more nuclear bombs?

6. Why does the arms budget go up and up despite much publicized arms control agreements?

7. Is the Administration's commitment to disarmament accurately measured by the relative amounts of funds requested for the Arms Control and Disarmament Agency (\$10.7 million) and the Department of Defense (almost 10,000 times as much)?

8. Why should the Selective Service System be requesting more funds next year (\$47.9 million) than it received this year (\$45 million) although the induction authority expired in 1973? Does the durability of this bureaucracy in search of a mission suggest the difficulties to be encountered in attempting to reduce funds for the military establishment as a whole?

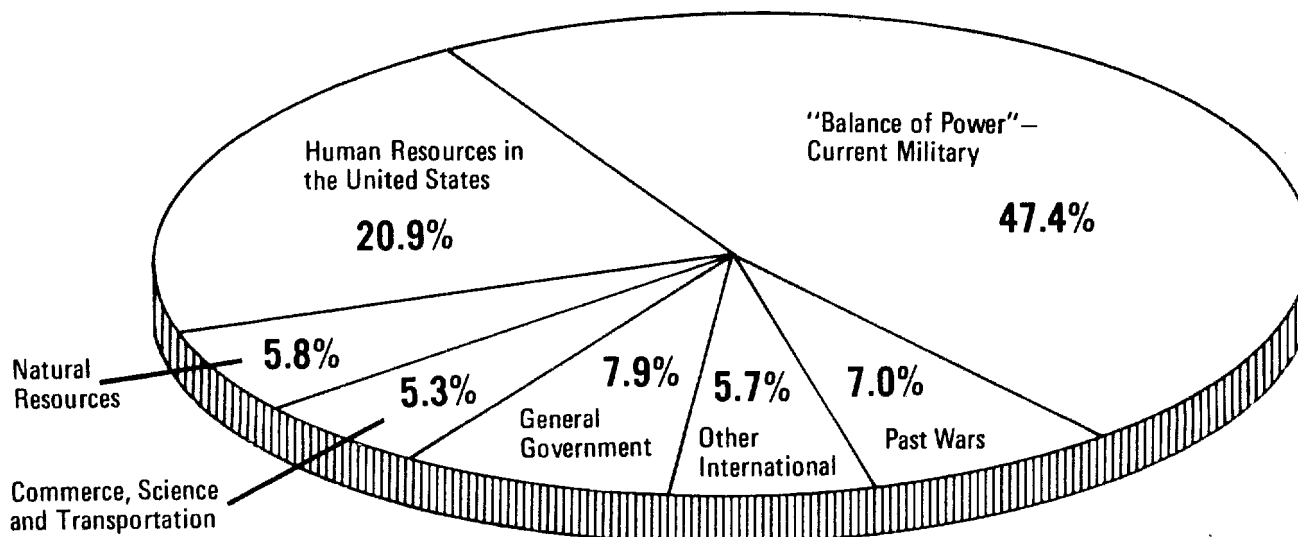
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## CONGRESS IS BEING ASKED TO APPROPRIATE \$226.3 BILLION\* FOR

### CONTINUING AND PROPOSED PROGRAMS FOR THE YEAR BEGINNING JULY 1, 1975



#### HUMAN RESOURCES IN THE U.S. (20.9%)

**\$47.3 billion**

Social Security programs \$10.5 billion (including \$5.5 billion for Supplemental Security Income); Social Rehabilitation \$13.9 billion (of which \$5.2 billion is Public Assistance and \$7.2 billion is Medicaid); Aid to Education \$3.7 billion; Health programs \$4.5 billion; Federal Housing \$4.1 billion\*; Nutrition including Food Stamps \$3.2 billion; Labor \$3.5 billion; Rural Development, Disaster Relief, certain Indian programs, Legal Services and Community Services \$2.1 billion; Administration \$1.8 billion.

#### NATURAL RESOURCES, ENERGY (5.8%)

**\$13.1 billion**

Agricultural price supports & conservation \$5.2 billion; Department of Interior land management, parks, Geological Survey \$2.2 billion; Energy Research & Development Administration \$2.4 billion; Other \$3.3 billion.

#### COMMERCE, SCIENCE, TRANSPORTATION (5.3%)

**\$11.9 billion**

Department of Commerce \$1.6 billion; Department of Transportation \$3.9 billion (including certain trust funds); National Aeronautics & Space Administration \$3.5 billion; Postal Service payment \$1.5 billion; Other \$1.4 billion.

#### "THE BALANCE OF POWER" (47.4%)

**\$107.2 billion**

Military personnel \$25.1 billion; Pensions for retired military careerists \$6.9 billion; Operation of military establishments \$29.8 billion; Military construction \$4.1 billion; Procurement of equipment \$24.7 billion; Nuclear warheads \$2 billion; Military research \$10.2 billion; Military aid to allies \$2.7 billion (includes \$1.3 billion for South Vietnam. A \$1.5 billion Israeli request is under review by the Administration. It is not included here.); Other \$1.7 billion.

#### PAST WARS (7.0%)

**\$15.8 billion**

Veterans' pensions, medical care, loan guarantees.

#### OTHER INTERNATIONAL (5.7%)

**\$13.0 billion**

Bilateral economic and political assistance \$2.7 billion (including \$952 million for Indochina); Contributions to multinational banks and UN programs \$759 million; Food programs \$1.3 billion; Contribution to proposed international agency which would help industrialized countries finance deficits arising from increased oil prices \$7 billion; Other \$1.2 billion.

#### GENERAL GOVERNMENT (7.9%)

**\$18.0 billion**

Courts, Congress and funds appropriated to President \$3.4 billion; Treasury \$2.7 billion; Energy tax equalization payments to state and local governments \$7.0 billion; Other independent agencies, etc. \$4.9 billion.

\*This figure includes only the \$662.3 million (needed for FY76) of the proposed \$26 billion, 40-year federal subsidy for production and leasing of low-cost housing.

### THE PRESIDENT ALSO HAS ASKED CONGRESS FOR AN ADDITIONAL \$14 BILLION FOR THE YEAR ENDING JUNE 30, 1975 (FY 75)

- \$5 billion of advances to the unemployment trust fund
- \$2 billion to provide temporary public service employment and summer jobs for youth
- \$1.7 billion for Public Assistance
- \$856 million for increased benefits for veterans
- \$1.8 billion for pay increases for military personnel and employees of the Defense Department
- \$500 million for pay increases for other federal employees
- \$522 million for military aid to South Vietnam and Cambodia
- \$275 million for economic assistance to Israel
- \$29 million for UN peacekeeping in the Middle East
- \$17 million for the International Control Commission in Vietnam

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## TOUGH SLEDDING FOR DOMESTIC PROGRAMS

The Administration proposes no new domestic spending programs except for energy. In addition, a number of existing programs are slated for cuts.

### Passing the Buck on Health

While total federal health spending requests are up slightly because of automatic increases in obligations to Medicare and Medicaid, deep cuts have been made in certain health agency programs. Budget authority requests for FY76 are at least 20% lower than appropriations for FY75 for community health centers, family planning, maternal and child health, migrant health, immunization and venereal disease control, and lead-based paint and rat control programs. State or local governments must make up for the loss, or else many programs will be cut.

To limit the growth of the Medicaid program, which is a form of public assistance, Congress is being asked to eliminate coverage of non-emergency dental services for adults and to reduce the federal matching share from 50% to 40% (raising the burden on states by 10%). These and other redefinitions of coverage will trim the growth of Medicaid in FY75 by \$217 million and in FY76 by \$939 million.

The Administration also is proposing to require elderly and disabled persons covered by Medicare to pay a larger share of hospitalization expenses. The plan would increase costs to Medicare recipients by \$255 million in FY75 and \$1.3 billion in FY76.

All proposed reductions in federal medical relief for the poor, the elderly and the disabled must win approval from Congress. Major objections are expected from states, which will need to play a larger role in medical relief.

Charles Edwards, M.D., who has just departed as HEW's Assistant Secretary of Health, protested recently, "You can't cut service programs at a time like this. Proposing to shift additional health cost burdens to the states during our current economic climate immediately translates into letting the disadvantaged carry the fight against recession."

### Double Blow to Kids

The FY76 budget proposes several blows to programs dealing with domestic hunger. In the area of child nutrition, for example, block grants to states would replace categorical programs, including school lunch and breakfast, special milk, day care, summer, and supplemental feeding programs. Thus, states must establish their own child nutrition programs. Some may choose to do so; others may not. Secondly, total federal budget authority for child nutrition under block grants will be \$700 million less in FY76 than under categorical grants in FY75.

### FOR NATIVE AMERICANS

The total budget authority for the Bureau of Indian Affairs is decreased by \$84,534 despite inflation. Under HEW, Indian Health is increased by .06% and Indian Education is increased by .05% for FY76. A positive note is the addition of Indian Action Teams. The budget request for IAT is \$15 million, which would help to stimulate economic development, encourage all-Indian corporations, provide specialized training and create more jobs in Indian communities. Ideally, this program will aid economic growth and therefore self-determination.

One USDA budget official admits that these cuts are hard to track down, since "nutrition budgets are only for economists and accountants to understand." Yet states understand that reduced federal funding under block grants will shift the nutrition burden to them. One state official estimates that in one program the changes could lead to a 40% reduction in participation in federally assisted school lunches, and "could force many schools to back out of the program completely."

Sen. McGovern, SD, chairman of the Senate Select Committee on Nutrition and Human Needs, says: "I am sure Congress will not allow 30 years of progress in the health and welfare of our children to be destroyed because of misguided values."

### Food Stamp Fight

The Ford Administration is waging a general assault on food stamps. Congress has decisively repelled the first wave by blocking an administrative order which would

have raised the cost of food stamps for recipients by an estimated total of \$650 million this year. The vote in the House was 374 to 38, February 4; in the Senate, 76 to 8, February 5.

Further, President Ford would impose a 5% cost-of-living ceiling on food stamp benefits in this inflationary period. These and other measures, if accepted by Congress, would have the net effect of reducing budget authority for the food stamp program by \$755 million in FY76.

### Budget Chisels Welfare

The FY76 budget calls for a net decrease of \$90 million in federal payments to public assistance (welfare), despite an expected increase in caseloads of almost 246,000 persons, resulting from the current economic recession. However, budget authority for federal aid to families with dependent children (AFDC) will decrease by \$124 million, since the federal matching share to AFDC programs in 12 low-paying states will be reduced and income qualifications for participants in all states will be raised.

The Administration is expected to propose legislation to reduce the share of federal contributions to social service programs administered by states benefiting low-income families and adults by an additional \$448 million in FY76 (from 75% to 65% in FY76 to 50% in FY77). At the same time, budget authority for the work incentives (WIN) program for AFDC recipients will be increased by \$110 million, even though high rates of unemployment will present a growing obstacle to the success of WIN job training and placement services. (Last year, fewer than 25% of AFDC recipients registered with WIN were actually placed in jobs.)

Losses in federal support for welfare for FY75 and FY76 are expected to force states to reduce benefits under many programs. The people most severely affected will be low-income single parents and children.

### Boosts for Prisons, FBI

In the area of criminal justice, the Ford budget emphasizes punishment over prevention. Budget authority for construction of new federal prisons would rise by almost 38%, from \$25.9 million in FY75 to \$35.8 million in FY76. Most of

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Continued on Page 6

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# \$4.9 BILLION PLUS ASKED FOR INDOCHINA

Two years after the signing of the Paris Agreements, the Administration continues to request more military aid funds for Indochina than for any other part of the world. The amounts being asked for FY76, supplementals for FY75 and projections for FY77 are:

- \$1,293 million in FY76 Defense Dept. funds for military aid to South Vietnam. This year's appropriation is \$700 million.
- \$300 million in FY75 supplemental military aid appropriations for South Vietnam.

- \$425 million in military aid to Cambodia for FY76. For this fiscal year, Congress imposed a strict limit of \$275 million.

- \$222 million in supplemental military aid to Cambodia for FY75.

- \$952 million in "Indochina Post-war Reconstruction Assistance." This is political/economic aid to South Vietnam, Cambodia and Laos. Congress has authorized \$616.9 million for this year. The House has voted \$440 million.

- \$250 million in FY74 in "emergency" drawdown of Defense Dept.

funds for military aid to Cambodia, which repays the Pentagon for 1974 disbursements.

- \$124 million to pay for various U.S. military functions in Southeast Asia (in Dept. of Defense budget).

- An as yet undetermined amount in "Food for Peace" funds.

- In addition, the Pentagon is requesting military aid for South Vietnam of \$355 million for the transition quarter, July 1-Sept. 30, 1976, and \$1 billion for FY77.

## TAX EXPENDITURES: NEW INSIGHTS INTO WHO GETS WHAT

This year for the first time Congress has required the Executive Branch to include figures with the FY76 budget which show the amount of potential *tax monies not collected* because of various tax laws which provide subsidies or "loopholes," as they sometimes are called. While disclaiming both exactness and completeness, the Administration's computation of these "tax expenditures" provides an important insight into the federal tax structure. Many of these "tax expenditures" benefit middle and upper income people who itemize deductions. The public generally is unaware of how these tax advantages are parcelled out among the citizenry. But programs which pay direct benefits to the poor provide highly visible and specific targets for budget cutters. In reading the following table, remember that all proposed public assistance (welfare) programs are estimated at \$9,214 million in FY76. The projected subsidy for the food stamp program is \$3,229 million.

During FY76 the Administration estimates that \$91.8 billion will be deducted from individual and corporate income tax bills. An amount equivalent to 66.6% of personal income taxes and 43.9% for corporations will not be collected. There are no figures available to pinpoint who benefits (by income class or any other category) from which tax subsidy.

FCNL's "Statement of Taxation and the Distribution of Wealth and Income in the U.S.A." (January, 1974) urges: "Subsidies found to be really needed should be voted out of public revenues by elected public bodies after adequate public debate. . . All subsidies should be reviewed periodically at such intervals as will permit reappraisal of need and conformity to standards." (For a copy of this full statement send a long, stamped, self-addressed envelope.)

Here are some of the larger categories of tax expenditures:

(Estimated for 1976)

Individuals	In Millions
• Deductibility of non-business state and local taxes (other than on owner-occupied homes and gasoline)	\$9,950
• Deductibility of mortgage interest on owner-occupied homes	\$6,500
• Net exclusion of pension contributions and earnings under employer and self-employed plans	\$6,450
• Deductibility of charitable contributions	\$5,275
• Deductibility of property taxes on owner-occupied homes	\$5,270
• Capital gains (other than farming & timber)	\$4,165
• Exclusion of unemployment insurance benefits	\$3,830
• Exclusion of employer contribution to medical insurance premiums and medical care	\$3,745
• Deductibility of interest on consumer credit	\$3,460
<b>Corporations</b>	
• Business investment credit	\$4,420
• \$25,000 corporate surtax exemption	\$3,570
• Exclusion of interest on state and local debt	\$3,505
• Extractive industries, excess of percentage over cost depletion	\$2,610

**FOOD FOR PEACE.** The U.S. overseas "Food for Peace" program is scheduled to receive \$1.3 billion for FY76. This represents an actual decline from the 5.5 million tons, costing \$1.6 billion that probably will be spent this year. Current levels are just about half the average food tonnage shipped in the mid sixties and early seventies. In an effort to reduce political and military considerations Congress in December added a provision requiring that 70% of Title I food sales should be used for countries on the U.N.'s list of 32 nations most seriously affected by current food shortages.

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this increase would speed construction of a highly controversial behavioral research center in Butner, NC, a new adult prison in the northeast region, and two new youth prisons in the southeast and west. However, no funds have been requested for FY76 to implement community crime prevention programs authorized under the Juvenile Justice and Delinquency Prevention Act of 1974. This Act is meaningless without funds.

At the same time, President Ford is requesting a \$25 million increase in budget authority for the FBI, from \$440.7 million in FY75 to \$465.8 million in FY76. Yet budget authority for the new Legal Services Corporation to help indigent defendants would remain at the FY75 level of \$71.5 million.

Budget authority requests have been cut by \$110.8 million (from \$880.6 to \$769.8 million) for the Law Enforcement Assistance Administration (LEAA), which has been growing rapidly in recent years.

### Public Service Jobs Downgraded

The Ford FY76 budget states a clear preference for paying unemployment

rather than providing public service jobs. Less than \$4 billion will be spent on jobs and the administration of job programs. But \$18.2 billion is slated for unemployment relief. Billions more will be lost because income and payroll taxes will not be collected from the unemployed.

The Congressional Joint Economic Committee has estimated that if the unemployment rate for FY76 were 4.5% instead of the projected 8.5%, there would be a budget surplus of a billion dollars rather than a minimum \$52 billion deficit.

The Administration is hoping that recovery will take place rapidly, so tax receipts will increase and unemployment funds, food stamps and welfare costs will decrease. Also it does not want to become committed to long-term public service programs.

Military spending is inflationary and a poor way to create jobs. Write for "Seven Questions About Inflation and Military Spending," G-64/1974.

### Why Big Cuts in Federal Programs?

The HEW FY76 Budget Report says federal programs are being cut to foster "greater local responsibility and accountability."

President Ford said on January 22 in a speech to a Washington business group, "More than a generation ago a trend was set in motion to advocate massive federal spending as a sure way to social progress. This massive spending took the form of income redistribution programs such as food stamps, social security, federal retirement benefits and so forth. I think we have to turn this trend around. To the extent that I possibly can, I intend to do so."

In his budget message for 1976 he argues, "Were the growth of domestic assistance programs to continue for the next two decades at the same rates as in the past 20 years, total government spending would grow to more than half of our national output. We cannot permit this to occur. . . . We must begin to limit the rate of growth of our budgetary commitments in the domestic assistance area to sustainable levels." (emphasis added)

### LOOKING TO THE FUTURE: FEDERAL R & D

Federal obligations for research and development (R&D) will increase 15% to \$21.6 billion in FY76. The military, which already receives more than half of all R&D funds, also will receive the lion's share of this increase. The following table and text give some indication of which subjects have been identified as the most important problems on which to concentrate national talents, energies and dollars:

Military \$11.4 billion (52.8%) includes (millions of \$):

- \$2,477 missiles
- \$2,186 "other equipment"
- \$2,114 aircraft
- 664 ships, small craft
- 622 military astronautics
- 564 ordnance, combat vehicles
- 495 nuclear weapons
- 476 military sciences

Included in above totals are R&D on Trident submarines & missiles, \$816; and B-1 bomber, \$672.

Civilian \$7.3 billion (33.8%) includes (millions of \$):

- \$991 nuclear energy
- \$630 National Science Foundation
- \$547 cancer
- \$470 agriculture
- \$386 environmental health
- \$380 fossil energy
- \$379 transportation
- \$250 cardiovascular ailments
- \$124 mental health
- \$116 solar & geothermal energy

Space \$2.9 billion (13.4%)

"Federal funds are expected to continue to furnish the largest source (more than half) of the total support for university research and development activities." (Source: Special Analysis P, and p. 173, FY76 Special Analyses, FY76 Budget)

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### CLIMATE CHANGERS?

For major changes to occur in public policy, the political climate in many Congressional districts must change. FCNL District Contacts are climate changers motivated by a concern for peace and justice. For further information write and ask what FCNL expects of its District Contacts and what aids it has for them.

**AL EISELE**

WASHINGTON CORRESPONDENT

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*Bill Riddle*  
~~PETER BEHR~~

BILL EATON

AL EISELE

JACK KOLE

BUZZ LARSEN

JOE LASTELIC

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CHARLIE McDOWELL

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BOB SMITH

*Bob Jones*  
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Gannett Newspapers

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\* as opposed to 'backgrounders'--an on-the-record interview group.

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JUL 3 1978

WILLIAM A. DOBROVIR / ANDRA N. OAKES / JOSEPH D. GEBHARDT / DAVID L. SCULL

2005 L Street, N.W.

Washington, D. C. 20036

(202) 785-8919

June 29, 1978

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Mr. Gene Wilson  
Freedom of Information Act and  
Privacy Act Coordinator  
Central Intelligence Agency  
Washington, D.C. 20505

IPS REGISTRY  
F78-0916  
DJM/MS  
(pls ack)

Re: Freedom of Information Request

Dear Mr. Wilson:

REQUESTED

On behalf of the Fund for Constitutional Government, we request access to inspect and copy the records of the Central Intelligence Agency respecting the investigation and all other proceedings, documents, memoranda and correspondence with other agencies, including the National Security Council, National Security Agency, Department of Justice, Department of Defense, Department of State, Brent Scowcroft, Henry Kissinger, James Schlesinger or Mitchell Rogovin, relating to:

(1) the investigation and proposed prosecution of reporters Nicholas Horrock of the New York Times, Bob Woodward of the Washington Post and Tad Szulc, in 1975, respecting articles they had written about the National Security Agency in the Times, Post and Penthouse magazine;

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(2) an article in the New York Times by Seymour Hersh entitled "Submarines of U.S. Stage Spy Mission Inside Soviet Waters," published on May 25, 1975; and,

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[Could he mean "contracts"?]

(3) contracts made by [redacted] then Special Counsel to the CIA with James Goodale, executive vice president of the New York Times, or any other officer, employee or reporter of the Times, any officer, employee or reporter of the Post, or Mr. Szulc, respecting either of the matters described in (1) and (2) above.

STAT

Sincerely,

*Wm A Dobrovir*  
William A. Dobrovir

COMPONENT: A/DCI/PA

F-78-0916

## RESPONSE FORM

TAB: \_\_\_\_\_

FULL RELEASES - PARTIALS - DENIALS - EXT/REFERRALS/INT COORDINATIONS

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## DOCUMENT DESCRIPTION

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24 JUN 1975

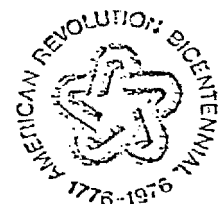
The Honorable Edward H. Levi  
The Attorney General  
Department of Justice  
Washington, D. C. 20530

Dear Mr. Levi:

As you are aware, the National Security Act of 1947 placed a mandate on the Director of Central Intelligence to protect intelligence sources and methods from unauthorized disclosure. In light of this responsibility, I am deeply concerned by the continued unauthorized disclosure of very sensitive classified information, including intelligence sources and methods. The most recent incident occurred in the Washington Star article of 18 June by James Deakin, which is enclosed. In what purports to be a quote of John D. Marks, there is information contained which was drawn from a classified deletion from the Marchetti and Marks manuscript. It is one of the 26 deletions out of 168 deletions which Judge Bryan, in the 1974 trial in the U. S. District Court for the Eastern District of Virginia, Alexandria, Virginia, ruled to have been proven to be classified by the U. S. Government. There are other items in the article which are even more serious and damaging to the U. S. Government.

As to the specific quote, I would like your advice as to whether appropriate legal action can be taken in view of the fact that the information concerned is covered by a protective order of the District Court. I have been informed that in all likelihood contempt action would require declassification of the information, as well as declassification of the exhibit in the Marchetti case which supported this information as being classified.

In my letter to you of 28 May 1975, I asked for your views as to legal action in connection with the article by Seymour Hersh in The New York Times on 25 May 1975. While the Department of Justice is still studying this



matter, again I have been informed that, in order to sustain contempt action, it would be necessary to declassify the classified exhibit in the Marchetti case which was quoted verbatim in the Hersh article.

In my letter to you of 10 February 1975, I requested your views as to possible criminal prosecution in connection with the book published by Philip B. F. Agee. In a letter from Acting Assistant Attorney General John C. Keeney to me dated 2 June 1975, I was advised that the Department of Justice recommended against prosecutorial action because of the difficulties that would be encountered during the course of discovery prior to the trial. Also with respect to the Agee book, I wrote to you on 3 March 1975 inquiring if any civil action was appropriate, including an injunction requiring review by the Agency pursuant to Agee's secrecy agreement, or the possibility of attaching royalties or any other civil relief. By your letter to me of 1 April 1975, you indicated that an injunction probably would not lie for failure to show irreparable injury. It was also indicated that any suit for damages would require the Agency to divulge, possibly in great detail, the scope of the operations which were disrupted.

On 14 January 1974, I submitted a legislative proposal to the Office of Management and Budget which would have provided criminal sanctions for the unauthorized disclosure of intelligence sources and methods. Throughout 1974 our representatives attempted to reach agreement not only as to the wording of such a legislative proposal, but also as to the appropriateness of such legislation being forwarded to the Congress. On 23 April 1975, I resubmitted this legislative proposal incorporating many of the revisions agreed upon by our representatives. While I believe I understand the reasons the Department of Justice still does not believe my legislative proposal should be approved by the Administration for submission to the Congress, I am firm in my belief that action to this end should be taken.

I have redoubled my efforts to have legal action taken to attempt to stem and deter unauthorized disclosure of intelligence sources and methods. The consistent advice from the Department of Justice has been that any of the possible courses of legal action would not be successful. On the other hand, I am faced with the dilemma that the Department of Justice opposes consideration by Congress of proposed legislation which would establish criminal sanctions for unauthorized disclosure of intelligence sources and methods. It is my view that now is an appropriate time for this proposed

legislation to be forwarded to the Congress while the Agency is under current investigation. It is my thought that, if the Congress is to do a thorough job, it is also their responsibility to look at constructive legislation that would assist the intelligence community in doing a more effective job. I think this proposed legislation, if enacted into law, would serve not only as a deterrent, but, in my opinion, would have a substantial chance of a successful prosecution given an appropriate factual situation.

Sincerely,

~~W. E. Colby~~

W. E. Colby  
Director

Enclosure

cc: The Honorable Philip W. Buchen  
Counsel to the President

The Honorable Henry A. Kissinger  
Assistant to the President for  
National Security Affairs

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OGC:JSW:sin (6/24/75)

# Soviet Listen in on U.S.

By James Deakin

Special to the Washington Star

James Deakin is a correspondent of the St. Louis Post-Dispatch

space satellites or antennae of the Soviet Embassy here, technicians are believed to be monitoring thousands of long-distance telephone calls in the United States each year.

Intelligence agencies are believed to be doing the same thing in Russia, especially in the field of military communications. But U.S. ability to listen in on Russian telephone calls may be limited by the fact that the Soviet telephone system is not as sophisticated.

In addition, a former State Department official charges that the National Security Agency is monitoring overseas telephone calls and the lives of many American citizens.

THESE AND other aspects of Soviet telephone surveillance were described this week after the Rockefeller Commission lifted the lid

slightly on the secret world of electronic espionage in its report on the CIA.

The Senate committee headed by Sen. Frank Church, D-Idaho, plans to question officials of the CIA and the FBI about the Soviet monitoring, it was learned.

In its report on the CIA, the commission headed by Vice President Nelson A. Rockefeller stated that "Communist countries appear to have developed electronic collection of intelligence to an extraordinary degree of technology and sophistication for use in the United States and elsewhere throughout the world."

The commission said it believed that "these countries can monitor and record thousands of private telephone conversations."

See PHONE, A-5

## PHONE

Continued From A-1

Government sources said that these statements in the Rockefeller report referred to monitoring of long-distance telephone calls transmitted within the United States by so-called microwave relays.

ALTHOUGH THE report referred to "Communist countries," in the plural, government sources made it clear that Russia was believed to be the only Communist nation with the ability to monitor such calls within the United States.

"Only a highly industrialized, computerized nation can do this," the sources said. They drew attention to what they said was a "concerted effort" by Russia to purchase American computer technology and an equally concerted effort by the U.S. to prevent them from buying it.

As described by government officials, the monitoring of long-distance calls consists of picking up the calls as they are transmitted between microwave stations. In the United States, these stations are spaced 20 to 25 miles apart.

About 70 percent of the long-distance calls in the United States are transmitted by microwave relays, a spokesman for the American Telephone and Telegraph Co. said. The remainder are transmitted by underground cables or old-fashioned telephone wires on poles.

TO PICK UP calls between microwave stations, the intercepting antenna must be in the "line of sight" between the stations, government sources said. Microwave signals can be transmitted only in a "line of sight," meaning that there are no obstructions such as hills or tall buildings in the way.

Government sources said Russian agents could intercept long-distance cable calls with a high antenna on the roof of the Soviet Embassy here. Computers then would separate out the bundles of calls in each microwave relay.

"Why do you think the Russians are so anxious to build their new embassy on the Mt. Alto site?" a government source said. "It is a much higher elevation than the site of the present embassy and would give them a much better line of sight for intercepting the microwave relays."

telephone calls within a city or a metropolitan area are transmitted by underground cables or telephone wires on poles. It is believed that most of the Russian monitoring involves long-distance calls.

The Russian civilian telephone system does not use microwave relays to the extent that the U.S. system does, government sources said. As a result, they said, the U.S. intelligence agencies may not be able to intercept Russian long-distance calls to the same extent.

"But I can give you a categorical assurance that we are reading Soviet microwave communications, especially military communications," Marks said. "But we are not necessarily doing this from the U.S. Embassy in Moscow."

Not only is the United States doing the same thing with Russian microwave relays, but "I have personal knowledge from my own State Department career that the National Security Agency has been monitoring overseas telephone calls and cables by American citizens," Marks said.

MARKS DREW attention to a paragraph in the Rockefeller Commission report that said that the CIA had "received materials from an international communications activity of another agency of the government," as part of "Operation Chaos."

Operation Chaos was a secret CIA investigative and surveillance program that tried unsuccessfully to prove that anti-war and civil rights groups in the United States were being directed and financed by foreign elements.

est elevations in the District.

THE ROOF of the present Soviet Embassy, on 16th Street, is festooned with aerials. This has led U.S. intelligence agencies to conclude that the embassy has the ability to monitor many types of communications within this country, John D. Marks, a former State Department intelligence officer, said.

Marks, however, believes that a high antenna on the roof of the Soviet embassy would have only a limited capacity to intercept microwave-relayed long-distance calls and that Russia more likely is using one or more fixed space satellites to do most of its monitoring.

"If you just visualize the line of sight from one microwave tower to another, at some point it goes into outer space," Marks said. "You just put your satellite there, in a fixed position, and it picks up the relays."

Washington Star

18 June 1975

CIA 1.01 Colby, William  
- speeches -

P-McDonald, Donald  
SOC 4.01.1 Center  
magazine  
ORGI FUND FOR THE  
Republic

24 March 1975

ORGI Center For  
The Study of  
Democratic  
INSTITUTIONS

ORGI Center For  
NATIONAL Security  
STUDIES  
(orig under Colby)

Mr. Donald McDonald  
Editor, *The Center Magazine*  
Box 4068  
Santa Barbara, CA 93103

Dear Mr. McDonald,

Thank you for your letter of March 6 addressed to  
Mr. Colby.

We all appreciated seeing the text of his remarks.  
Could you be good enough to send us three or four more.  
I would like to be sure that we have some in our historical  
intelligence collection.

I am taking the liberty of enclosing three further  
statements Mr. Colby has made. You may find them of interest.

Sincerely,

STAMPED

Angus MacLean Thuerner  
Assistant to the Director

mb  
Encs.